

The **NATIONAL** **UNDERWRITER**

Life Insurance Edition

A STATEMENT OF MANPOWER POLICY

NORTHWESTERN NATIONAL LIFE's management firmly believes that the best interests of the agent, the policyholder, and the public are served when life agents are in every respect independent businessmen standing on their own feet. In our opinion, the development of such strong, successful independent businessmen requires the highest type of Home Office leadership we can bring to the task. To that end:

- ★ We are providing our agency heads with the most thorough and practical selection devices we can create for selecting men competent to build a business of their own.
- ★ We are encouraging the selection largely of men who have proven successful in other fields and whose accumulated capital testifies to their ability to live within their margins, and are accepting fewer and fewer agents with previous life insurance experience.
- ★ We are sharply limiting the number of men who will be accepted under an NWNL franchise, limits for 1946 ranging in most cases from one to three men per agency, based upon the market available and the local agency's ability to properly train and successfully establish such men, but we are making a substantial investment in the training and stabilization of the men selected.
- ★ We are conscious of our obligation, along with that of all business, to keep post-war employment at as high a level as possible; for that reason we are standing firm against the temptation to recruit en masse and to use G. I. benefits as a new form of agency financing, both of which we believe will have the effect in the life insurance field of producing a large number of business failures.
- ★ We have developed a thorough Home Office training, made available only to selected, qualified men, certified through preliminary training in the local agency.
- ★ We have taken strong measures to prevent the development of a debtor-creditor relationship with agents.
- ★ We share the natural desire of all companies for volume growth, but our first consideration is for a high level of earnings per man, letting volume develop naturally and soundly.

We know that such a program leads to low turnover and to higher earnings per man, and we believe the program is in keeping with the best interests of NWNL and of the life insurance business as a whole.

NORTHWESTERN *National* **LIFE**
INSURANCE COMPANY
G. J. ARNOLD • PRESIDENT  MINNEAPOLIS • MINNESOTA

FRIDAY, MARCH 22, 1946

NEW YORK LIFE INSURANCE COMPANY

A Brief Review of the 101st Annual Statement to its Policyholders

Payments to Policyholders and Beneficiaries aggregated \$192,672,219 in 1945. Of this total, \$109,476,268 was paid to living policyholders. Payments to the beneficiaries of those who died, \$83,195,951, were the largest in the Company's history. Payments to the beneficiaries of policyholders who died in the Services amounted to \$8,361,400 in 1945, and \$19,590,700 since Pearl Harbor.

Life Insurance in Force in this Company totalled \$7,979,193,102 under 3,401,178 policies at the end of 1945, the largest amount in the history of the Company. The gain in insurance in force during the year, \$334,489,672, was the greatest since 1930.

Sales of New Life Insurance in 1945 amounted to \$564,180,100, an increase of \$38,380,300 over 1944.

Assets, held for the protection of the Company's life insurance and annuity contracts, totalled \$3,813,504,094 at the end of 1945, reflecting an increase of \$242,765,154 during the year. The assets exceeded the Company's reserves and other liabilities by \$231,013,622, which amount constitutes the Company's Surplus Funds held for general contingencies.

Holdings of United States Government Obligations amounted to \$2,319,748,756 as of December 31, 1945. This is more than 60 per cent of the assets. The policy of investing in United States Government bonds aided the Government in World War II, helped to hold in check the forces of inflation, and provided the safest of investments for the Company's funds. The increase during 1945 was \$380,643,935.

Holdings of All Other Bonds and of Stocks, preferred and guaranteed, aggregated \$857,100,505 at the end of 1945. During the year the Company purchased \$157,653,493 of such securities, but, largely because of a substantial volume of redemptions and maturities, the holdings decreased by a net amount of \$62,484,613, as compared with the end of the previous year.

Holdings of First Mortgages on Real Estate amounted to \$354,128,970 at the end of 1945. There were 34,211 of such mortgage loans. During the year the Company made 1,150 new loans of \$7,500 or less.

Holdings of Real Estate at the end of 1945 aggregated \$22,898,411. This amount compares with \$35,976,144 at the end of the previous year.

Policy Loans at the end of the year amounted to \$166,454,501 on 427,944 policies. The corresponding figures for the end of 1944 were \$188,185,417 on 483,338 policies.

Reserves Against the Company's Contractual Obligations were further strengthened at the end of 1945. Almost three-fourths of these reserves were computed at 2½ per cent or lower interest. The interest rate assumptions reflect the Company's program of taking positive steps to meet the realities of the low yields currently available from the highest quality of investments.

Dividends payable in 1946 amount to \$38,895,341. The New York Life is a mutual company, and dividends are paid to policyholders only.

A More Complete Report, as of December 31, 1945, contains additional statistical and other information about the Company and will be sent upon request. A list of the bonds and preferred and guaranteed stocks owned by the Company is also available. These booklets may be obtained by writing to the New York Life Insurance Company, 51 Madison Avenue, New York 10, New York.

George L. Harrison President

STATEMENT OF CONDITION

December 31, 1945

ASSETS		LIABILITIES	
Cash on hand or in banks.....	\$36,675,514.81	Reserve for Insurance and Annuity Contracts:	
Bonds:		Computed at 3% interest....	\$784,716,342.00
United States Government		Computed at 2½% or	
Obligations.....	\$2,319,748,756.00	lower interest.....	2,198,600,957.00
Canadian.....	109,129,002.00	Present value of amounts not yet due on	
Municipal.....	33,514,137.00	Supplementary Contracts.....	310,610,004.00
Railroad.....	233,526,062.00	Reserve for Dividends left with the	
Public Utility.....	321,924,183.00	Company.....	181,187,718.29
Industrial and Miscellaneous	74,504,514.00	Dividends payable during 1946.....	38,895,341.00
Stocks, preferred and guaranteed.....	84,502,607.00	Premiums paid in advance.....	31,554,274.13
First Mortgages on Real Estate.....	354,128,970.11	Reserve for fluctuations in Foreign	
Policy Loans.....	166,454,501.57	Currencies.....	4,200,000.00
Real Estate:		Reserve for other Insurance Liabilities.....	21,925,663.76
Home Office.....	\$11,172,924.00	Estimated amount due or accrued for Taxes....	7,141,412.99
Other Home Office		Miscellaneous Liabilities.....	3,658,759.15
Properties.....	548,247.97	TOTAL LIABILITIES.....	\$3,582,490,472.32
Foreclosed Properties under		Surplus Funds held for general	
Contract of Sale.....	1,557,520.27	contingencies.....	231,013,622.31
Other Foreclosed			\$3,813,504,094.63
Properties.....	9,619,719.03		
Interest and Rents due and accrued.....	23,189,388.92		
Deferred and uncollected Premiums (net)....	32,031,975.75		
Other Assets.....	1,276,071.20		
	\$3,813,504,094.63		

Of the Securities listed in the above statement, Securities valued at \$51,384,812.00 are deposited with Government or State authorities as required by law.

The Company started business on April 12, 1845. It has always been mutual and is incorporated under the laws of the State of New York. The Statement of Condition shown above is in accordance with the Annual Statement filed with the New York State Insurance Department.

*This Reserve is held chiefly against the difference between Canadian currency Assets and Liabilities.

It's Benson vs. Orr for Secretary of N.A.L.U.

Enter Cincinnati in Contest—Wandling, Moss, Trustee Candidates

It's Benson vs. Orr.

In other words, there is again to be a spirited contest for the position of secretary of the National Association of Life Underwriters, which is the stepping stone to the presidency in 1948, between Judd C. Benson, home office general agent of Union Central Life, and Clifford H. Orr, National Life general agent at Philadelphia.

Mr. Orr was unsuccessful candidate for secretary last year, losing out to Jul B. Baumann, Pacific Mutual, Houston, in the vote that was cast by the trustees in the absence of a regular convention.

In recent years it has been traditional for the defeated candidate for secretary to appear as a potent contender the succeeding year.

Decision Made at Omaha

Mr. Benson has been the most logical one to enter the lists but until last week at the time of the Omaha midyear convention his friends had not been able to persuade him to permit a campaign to be conducted. He has been reluctant to engage in a contest but at Omaha he was bombarded with appeals from his supporters, particularly middlewestern leaders, to be a candidate and after a telegram was received announcing that the directors of the Cincinnati Life Underwriters Association had unanimously endorsed him and urged his election, he was prevailed upon to put on his campaign gloves.

Trotter Was Insistent

One of the middlewestern leaders most prominent in procuring the acceptance of Mr. Benson was J. Frank Trotter, Mutual Life manager at Kansas City, who for years has been a strong factor in National association affairs.

Also at Omaha it became known that campaigns will be launched for two new trustee candidates who had just been put forward with resolutions of endorsement by their local associations. They are Lee Wandling, Equitable Society, Omaha and Ray Moss of the Moss & Moss general agency of Connecticut Mutual Life at Louisville.

Wandling Omaha Chairman

Mr. Wandling was general chairman of local arrangements for the Omaha convention and he served in a similar capacity several years ago when the midyear meeting was at Wichita. The Omaha association endorsed Mr. Wandling last year but he desired not to enter the race at that time.

Mr. Moss has been especially active in Kentucky in legislative work and his record in that activity has been impressive.

The six trustees whose two year terms will be expiring in September are Hugh Bell, Equitable Life of Iowa, Seattle; A. C. Duckett, Northwestern Mutual, Los Angeles; Carlton W. Cox, Metropolitan Life, Paterson, N. J.; Ernest A. Crane, Northwestern Mutual, Indianapolis, and Mr. Benson and Mr. Orr.

Also there will be a trustee to be elected for a one year term. John P. Costello was appointed to the vacancy caused by the ineligibility of Dudley Colhoun to continue in office shortly

N. A. L. U. Council Disposes of Much Work at Omaha

By **LEVERING CARTWRIGHT**

The all-day meeting of the N.A.L.U. national council at Omaha was conducted with the utmost dispatch, thanks to businesslike gavel wielding of President Clancy D. Connell. He has a keen sense of timing and he saw to it that the proceedings were carried off almost to the split second. The business of the day was completed at 4:30 in the afternoon which probably set a record.

The meeting got under way with Mr. Connell presenting his presidential message. He reviewed quickly many of the activities of the association, distributing praise to his coworkers as he went along. He remarked that as president, he has traveled in 42 states.

Brief messages were given by Philip B. Hobbs, Equitable Society, Chicago, as vice-president and Jul B. Baumann, Pacific Mutual, Houston, as secretary.

Guertin Bill Is Smothered in New York

NEW YORK—The final decision on the Guertin bill in the New York legislature taken Wednesday morning by the Senate insurance committee was to hold the measure in committee. This disposes of it for this year since the legislature expects to wind up its business this week and go home.

A statement was scheduled to be released by the committee later in the week to the effect that the committee did not refuse to act on the merits of the bill but that because of the intricacies of the subject matter the decision was to hold it over for further study. Supporters of the measure in the legislature believe it could be passed early next year, when it undoubtedly will be introduced again. They expressed the hope that the industry will go ahead on that basis, and have everything ready, including tables, exhibits and arguments.

This is an election year, from the governorship on down, and political considerations soon overshadowed the merits of the bill. The "PM" article before the hearing on the bill made it apparent that those who backed the campaign would be vulnerable to a smear campaign accusing them of helping to "gouge" the policyholders.

With a Republican governor and a Republican-controlled legislature, Republican leaders evidently feared that they might have a difficult time explaining their support of a measure that was being so distorted and misinterpreted by its enemies. From a political standpoint the Guertin bill had little vote-getting power but might be the means of losing some, it was feared.

Opposition to the bill did not come from the senate insurance committee, of which W. J. Mahoney of Buffalo is chairman.

after Mr. Colhoun was elected for a two year term.

Although there have been no official statements as to the intention of Bell, Duckett, Costello, Cox and Crane, there has been no intimation that any of them would not be a candidate for reelection.

The assumption is that the loser in the Benson-Orr contest will be a candidate for reelection as trustee. Hence, the present prospect is that there will be six existing trustees that will be up for reelection and that there will be six two year, and one, one year term to fill.

Walter E. Barton, Union Central, New York, reporting as treasurer, stated that assets at Feb. 28 were \$161,449 as compared with \$152,596 the previous year.

James E. Rutherford, executive vice-president, then gave a message that put the association on record as sternly opposed to certain tendencies that the speaker characterized as a menace to the career agent. His talk is reported elsewhere. Particularly sensational was his laying down the gauntlet against the extension of group insurance into fields in which the employer-employee relationship is lacking.

Agency Practices Report

Mr. Baumann was called upon to report as chairman of the agency practices committee. Virtually all of the committees the previous day held open sessions which were attended not only by their members, but by any conventioners interested in the matters under discussion. The committee reports had been distributed in printed form so that the chairmen at the national council meeting merely emphasized a few points or told about the discussion at the meetings the previous day. Most of these reports were summarized in *THE NATIONAL UNDERWRITER* last week.

Mr. Baumann said that his committee solicits the advice of members on the long standing problem of the part timer, the unfit agent, etc. He submitted a motion that was adopted, immediately to invite the industry to meet with the agent's committee in an endeavor to formulate a statement of principle that can be brought before the N.A.L.U. at its September meeting.

A. C. Duckett, Northwestern Mutual, Los Angeles, who was highly praised on all hands for his masterful report as chairman of the agents compensation committee, said that in that area the big question has resolved itself into: When shall renewals be forfeited, and when shall they vest? That is where the controversy centers. The question is whether they shall vest in one, two, three, four or five years, whether they shall vest for a good agent who perhaps stays in the business three years and then moves to another company, or is advanced to general agent. It is the consensus, he declared, that the career agent has been rendering a service for which he has not been compensated.

Proposed By-Law Change

Ernest A. Crane, Northwestern Mutual, Indianapolis, chairman of the committee on by-laws, stated that his group has been collaborating with the committee on functions and activities, and that they will recommend at least one change at the annual meeting.

Herbert R. Hill, Life of Virginia, Richmond, convention program chairman, stated that his committee desires to have suggestions as to able speakers among street agents for the Cleveland annual convention. The committee wants to bill at least four or five personal producers.

Carlton Cox, Metropolitan Life, Paterson, N. J., chairman of committee on functions and activities, reported that the trustees had voted to empower Mr. Rutherford to employ an attorney at headquarters and had allotted \$10,000 as the total expense of such an addition. This would include a secretary for the attorney and certain other expenses. This decision was made on the basis of answers from members to a questionnaire. Those responding favored by a ratio of 9-1 the appointment of an attorney.

Tot Up Feb. Score; Ordinary Plus 52%, Total 42% Ahead

Fast Sales Clip Revealed—Two Month Total 35% Better

New life insurance purchases in February were 42% greater than in the corresponding month of last year, it is reported by L.I.A.M.A. Total purchases were \$1,516,833,000, compared with \$1,065,292,000 in February, 1945.

Purchases of ordinary were \$1,121,343,000, up 52% over February a year ago.

Industrial purchases were \$307,074,000, an increase of 19%.

Group life sales were \$88,416,000, increase 26%. The figure consists of new groups set up and does not include additions under existing plans.

Result Not Surprising

These figures were awaited with exceptional interest because February was such an amazingly buoyant month in point of production that everyone wanted to see the final aggregate score. That ordinary was up 52% was no surprise. Many companies in February had their biggest month in history and in some companies the production was double that of February, 1945.

March sales are proceeding at the same clip or faster. Some companies say that by March 15 their sales were greater than for the entire month of March last year.

For the first two months, total sales were \$2,867,748,000, an increase of 35%. Ordinary accounted for \$2,146,831,000, up 45%. Industrial was \$582,721,000, up 18% and group was \$138,196,000, 8% less.

Elma Easley, California-Western States Life, Portland, Ore., took a bow as chairman of the women's committee.

Clifford H. Orr, National Life, Philadelphia, reporting as chairman of committee on education and training for the underwriter, said that interest continues at a high level in such a program. There is to be a meeting of the committee April 2 with the L.I.A.M.A. to review plans and every effort will be made to proceed. The Purdue pattern may be followed nationally, he said. There are a number of other colleges that want to emulate what is being done at Purdue.

However the committee feels that it should proceed cautiously. He said that the admonitions in the booklet on the Purdue plan that was gotten up by Donald F. Barnes of the headquarters staff should be given much attention.

Other committee chairmen who spoke briefly were Eber Spence, Provident Mutual, Indianapolis, national war savings; Will Noble, New England Mutual, Omaha, publications; Hugh Bell, Equitable Life of Iowa, Seattle, general agents and managers; Wayman Dean, Life & Casualty, Jacksonville, integration of life underwriters into N.A.L.U.; John D. Moynaghan, Metropolitan Life, Berwyn, Ill., local association administration.

W. H. Andrews, Jr., Jefferson Standard Life, Greensboro, stated that the committee of past presidents of which he is chairman, had decided to assume as a project the writing of an authentic history of N.A.L.U. The intention is to employ someone to conduct research

(CONTINUED ON PAGE 20)

Rutherford Calls for Halt on Group Cover Inventions

Career Agent Menaced, N.A.L.U. Ledger Tells Omaha Convention

A stern challenge was uttered by James E. Rutherford at the Omaha mid-year meeting of N.A.L.U., against group insurance practices and tendencies that tend to smother the individual policy field for the career agent. This was a bold stand and it was taken at a time when the matter of the future of group insurance is very much in the insurance eye. The life insurance committee of the commissioners association had just released a draft of recommended legislation for a new definition of group.

Mr. Rutherford's strong message at Omaha was foreshadowed a few weeks ago by a statement that he read at Chicago during a hearing before the commissioners committee on this subject. Mr. Rutherford is executive vice-president of N.A.L.U.

Mr. Rutherford at Omaha also enunciated a firm position on other trends that he said are menacing to the career agent. These he treated under the captions of "savings bank life insurance"; "direct by mail sales by non-qualifying companies"; "direct or indirect non-agent sales"; "lack of appreciation of the agent's work"; and "qualification laws."

Objects to "Misuse" of Group

Mr. Rutherford emphasized that it is the misuse of group insurance to which he objects. He pointed out that the N.A.I.C. definition of group insurance that was adopted in 1917 forms the basis of the laws in 16 states and the District of Columbia. Some of the other states have some regulation of group insurance but for the most part there is little such regulations.

The extension of group insurance to members and their employees of trade associations is permissible in at least seven states. Others advocate use of group insurance to cover indebtedness of debtors or of creditors to a maximum of \$10,000 and there are those who believe that no limit of issue of group insurance to any one individual should be fixed.

N.A.L.U., he said, believes group insurance should be limited to situations where an employer-employee relationship exists and debtor-creditor insurance is not objectionable if the group is confined to the debtors of one creditor and the amount is kept at \$2,500. Some of the proposed recommendations, the association fears, according to Mr. Rutherford, would leave the field wide open for extension of group insurance to almost any sort of a group "including, for instance, all the people who live on rural route 3. The connecting bond in that case would be almost as close as exists in some cases that have been proposed."

Fouls Up the Market

Broad extension of group insurance into fields other than those in which the employer-employee relation exists, Mr. Rutherford charged, would tend to deprive the buyer of the services of an agent and to deprive the agent of his necessary market.

To the claim that group insurance increases public acceptance of life insurance and serves as a feeder for both agent and company Mr. Rutherford

(CONTINUED ON PAGE 25)

Seek to Step Up Organized Leadership of Managers

Map 18 Area Meetings in May Following Identical Pattern

A program was unfolded during the Omaha N.A.L.U. gathering to step up the participation of agency heads throughout the country in the organized affairs of general agents and managers. Osborne Bethea, Penn Mutual, New York, as chairman of the planning committee, outlined the project at an overflow session of the N.A.L.U. general agents and managers committee.

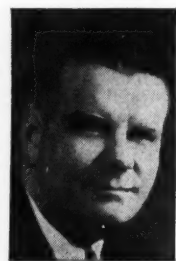


E. M. McConney



Osborne Bethea

As close to May 20 as possible, the Bethea committee suggests, a general agents and managers gathering be held in each of the 18 areas into which the country has been divided and over which an area chairman presides. The format of each meeting should coincide, including a discussion of how to derive the most benefit from the managers association handbook, a discussion of the new setup of the national agents and managers committee, and a presen-



Hugh Bell



J. E. Scholefield

tation in detail by three agency heads of the operations of their agencies, followed by discussion.

To Circulate the Records

The intention is to get a transcript at each meeting, edit it and circulate such a record of all the meetings throughout the country.

Mr. Bethea vouchsafed that if this pattern were followed through the meeting of the general agents and managers committee at Cleveland Sept. 11 will be the greatest such conclave ever held.

Also Mr. Bethea said there should be assigned individual research projects to the various regions and to local associations and the results could then be exchanged.

Mr. Bethea indicated that the genesis of this scheme was the meetings held on three successive years until 1942 by the New York state agency heads at Saratoga Springs at each of which a single topic, such as agents compensation, was treated.

The days are filled with danger and opportunity, Mr. Bethea declared, and there is great need for organized leadership on the part of agency heads. There are some 6,000 general agents and managers, yet only from 500 to 600 attend the annual gatherings. That is insufficient participation, he said.

Hugh Bell, Equitable Life of Iowa, Seattle, presided as chairman of the

general agents and managers committee.

A public declaration against indiscriminate hiring of agents, as offered by Steacy Webster, Provident Mutual Life, Pittsburgh, was adopted. It affirmed its position that public acceptance of life insurance is high, and that the objective is to cause such acceptance to be even more extensive, that to do this the dignity and prestige of the agent must be increased; that indiscriminate recruiting is unfair; that selection and training is needed and that the association is committed to promote such a situation.

McConney Is Featured

E. M. McConney, vice-president of Bankers Life of Iowa, gave a discussion of the problems involved in the compensation of the agency head. His talk was of a suggestive nature. He undertook to sketch the reasoning and the calculations that a company management would engage in, that desired to recast its compensation system in the interest of developing an adequate volume of new persistent business through career agents.

Mr. McConney said that the objective cannot be to produce the lowest net cost, because that would mean miserliness and consequent lowering of morale of the field. Rather the objective is the lowest reasonable net cost.

Both home office and field, he observed, want adequate new volume, they want persistent business and they want to provide service to policyholders. These things are all contributed by career agents.

The incentives that can be offered to an agency head to concentrate on career men are money, prestige and the inward satisfaction in accomplishment. One of the most satisfying emotions, he declared, is that which comes from having helped to build up a man.

Mr. McConney said it is not desirable to depart radically from tradition, because violent change is to be eschewed. Hence, "Company X," as he styled his hypothetical institution going through the throes of remodeling, proceeds to graft its new plans on the traditional setup.

He remarked that under the old style general agency contract there was little reward for first year production, whereas under its counterpart in the management setup, renewals were not accented. For instance a general agent might receive only 5% and sometimes nothing from first year premiums, but he did get a nine years overriding. Parenthetically, Mr. McConney said, he has never been able to discover why nine years was ever selected, unless it was related to numerology in which three is a mystic number and three times three is "a super dooper astrological number."

On the other hand the manager had a big incentive to bring in new business, but frequently was given no monetary recognition for renewals.

Service to Policyholders

As to service to policyholders, since the general agent had to pay his own office expenses, he desired to have an efficient operation; but the branch manager didn't care. The home office paid for it.

The emphasis today on career men is necessary in view of the fact that programming is so important. That requires intelligence and training.

"Company X," he said, sets out to create a middle of the road setup.

First it must decide what it will offer to the agency head as compensation for new business. They might use a percentage of commission factor, percentage of premium or a flat amount per thousand of insurance. They might select 15% of new premiums.

Then, in compensating for persist-

(CONTINUED ON PAGE 25)

Powell B. McHaney Flays Complacency of Life Leadership

Believes Expanding Social Security Is State Socialism

Attacking the complacency of life insurance leadership during federal encroachment into the business, Powell B. McHaney, vice-president and general counsel of General American Life, told

the managers and general agents section of the Birmingham Association of Life Underwriters that "we must anticipate the needs of the nation, insurance-wise, and make our own program effective to such a degree that there can be no reason for any further extension of governmental insurance."

Mr. McHaney told the managers if they remain submissive to extension of social security they are carrying an umbrella for protection against the threat of an atomic bomb.

He said the social security act was merely a forerunner of things yet to come, pointing to the Wagner bill and the Wagner-Dingell-Murray bill. Such a program contains the germ that may end, not only the life insurance business as a private enterprise, but ultimately may end freedom of enterprise for all Americans, he said.

Effect of Group Annuities

He said that if the program of group annuities in effect in a few of the larger companies, or pension trust plans and similar benefits proposed by many companies at this time had been aggressively sold at an earlier date, it might have eliminated the need for the extension of social security benefits to persons of all economic classes.

"If we in the field of life insurance sincerely believe that private enterprise can provide adequate insurance benefits to the public at a fair and reasonable cost; if we believe that federal or governmental insurance, including life insurance, health insurance and medical care insurance represents an unnecessary and therefore unfair encroachment upon the precious principles of individual ingenuity and private initiative; if we believe that bureaucracy is achieving supremacy over individual rights and prerogatives, then we must do away with the generals' 'too little and too late' and our strategy must be based upon the premise that the best defense is a strong offense," he declared.

Mr. McHaney urged a strong public educational program in life insurance to forestall "bugaboos" of misunderstanding and said that policyholders must be brought to consider themselves the owners of the companies. He commended the work of the Institute of Life Insurance.

As an example for the need of further alertness in the life insurance field, Mr. McHaney pointed to the rapid development of Blue Cross as demonstrating the lack of need for federal hospitalization programs.

In discussing Blue Cross, Mr. McHaney said they were no more non-profit than mutual legal reserve life companies but were permitted by statute or suffrage to do business without paying the taxes imposed upon life companies.



P. B. McHaney

Great Business and a Great Time to Be in It, Says Coffin

Conn. Mutual Official Sums Up Talks at N. Y. Sales Congress

NEW YORK—Epitomizing the talks of the other speakers at the New York City sales congress, V. B. Coffin, vice-president and superintendent of agencies of Connecticut Mutual, said that the general theme seemed to be that life insurance is a great business to be in, from all sorts of angles.

"We have reached the astounding situation where life insurance is not only the best investment but for thousands of people it is the only method," he said. He pointed out that in days gone by a man could lay aside two or three thousand dollars and make it earn an income for him. Today he needs that money to live on. But with \$200 to \$300 a year he can buy an estate on the installment plan, which is what life insurance has always provided. He said it was doubtful that "if ever in your business lives you will have as wonderful a combination of circumstances as in March, 1946."

S. A. Monroe Speaks

S. A. Monroe, agency assistant Equitable Society, said that too few business men realize the hazard faced by their estates where they wish to pass along a business interest intact to a son or son-in-law. Unaware of the approach taken by the Treasury Department in valuing the interest in a business, business men too often take the view that the value of a business interest is determined by what a competitor would pay for it, by its book value or by the amount that might be realized in the event of liquidation.

Generally speaking, the Treasury's procedure is to capitalize the average earnings of a business for a 5-year period. Emphasis is on earnings and during the last four or five years earnings have been high. High earnings mean a high valuation for estate tax purposes and higher estate taxes. Estate taxes must be paid in cash and 15 months from date of death is allowed.

Lists Four Insurance Freedoms

Expressing the belief that all life companies and most agents are writing more high premium insurance than ever before, Mr. Monroe said that it is due to the dilemma of low interest rates and high income taxes and it presents an opportunity for the agent. The buyer of a retirement contract must recognize that life income is the important thing and that conservation of principal is secondary. He listed four freedoms for the buyer—freedom from income taxes to the insured at maturity; freedom from income taxes to the beneficiary, freedom from creditors and freedom from worry.

The first is taken care of by electing a life income option before maturity, unless there is an automatic option. There is a further income tax advantage that only 3% of the contract's cost need be included as taxable income if an installment option is elected.

As to the second freedom, selection of an installment option for the beneficiary as distinguished from a deposit option insures that no portion of the guaranteed income payments will constitute taxable income to the beneficiary.

As to freedom from creditors, Section 166 (formerly 55a) of the insurance law

(CONTINUED ON PAGE 27)

High Court Blocks Ill. Bankers Life Case Settlement

SPRINGFIELD—The Illinois supreme court Tuesday, in the Illinois Bankers Life case, denied a motion that had been offered by all parties concerned to remand the action to the circuit court of Chicago for final disposition according to the equities of the matter. The high court declared that such a procedure would have the effect of setting aside the decree of the lower court and leave the matter open to the possibility of further litigation.

The motion was offered after all the parties had agreed to a settlement which they proposed to offer to the lower court.

Department Opposes Motion

The Illinois department had filed a petition as amicus curiae opposing the motion but when the supreme court denied the motion it was not necessary for it to act on the department's petition.

This is the case that was started years ago by Attorney Vernon Loucks of Chicago to recover for the benefit of policyholders of the predecessor assessment company the stock of the present Illinois Bankers Life owned by the estates of Hugh T. Martin, A. T. Sawyer and others on the ground that the stock company was financed by policyholder funds. The circuit and appellate courts decided for the complainants.

The action of the supreme court is not a final decision in the case, in that it did not relate to the merits of the matter.

The case has been argued and briefs filed and the court may very well hand down a decision on the main issues shortly.

Note Changes in Distribution of New Ordinary Policies

Three changes in distribution of new ordinary life policies by age and sex have taken place during the past five years, according to Equitable Society in its house organ, "Equitable Items."

The big changes noted are: 1. The number of juvenile policies has more than tripled in the five year period. 2. Insurance on women has increased 75% over 1941. 3. Despite a decrease in male lives from ages 20-29, that figure is up 40%, and issues at ages over 30 increased almost 66%.

Based on a 10% sample of new issues, the figures on the changes are:

Issue Ages	Both Sexes				
	1945	1944	1943	1942	1941
0-9	14,800	9,500	8,100	6,500	4,400
10-19	16,600	17,600	14,700	14,800	15,900
20-29	24,000	22,600	23,900	28,500	41,100
30-39	34,100	29,300	24,500	25,200	28,800
40-49	24,400	22,300	17,800	15,300	18,300
50+	7,500	6,900	5,900	5,500	5,400
ALL	121,400	108,200	94,900	95,800	111,900

Stephenson Before Council

Gilbert T. Stephenson is to speak at a luncheon meeting March 28 of the Chicago Life Insurance & Trust Council on "Some Life Insurance Provisions of Wills & Trust Agreements." He is a director of trust research of the graduate school of banking of the American Bankers Association and of Rutgers University and is a past president of the trust division of the A.B.A. Mr. Stephenson, a resident of Wilmington, Del., is a noted speaker and writer on matters relating to trusts and a book on the subject which he has written is used as a text book in the study for the C.L.U. designation.

Democracy in Cross Section

One of our underwriters, having but recently returned from the army service, naturally was particularly conscious of "the eagle on mufti," the gold insignia worn by World War II veterans on their civilian coat lapels.

He noticed that his railroad conductor wore that mark of honor, also a taxi driver, two clerks in his own office as well as the general agent and the company vice president, the traffic policeman at the corner, a service station owner, several store clerks, the teller at the bank, and four of his own policyholders he called on.

"They certainly don't look like soldiers now," he said. "I try to make a mental picture of these men I meet as they would look in uniform, and they would fit shoulder to shoulder in my old outfit. Perhaps I ought to think of them as so many prospects. I certainly don't think of them all as so many military officers, and that makes my prospecting wiser."

"It seems to me that it is a healthy thing to think of the returnees I meet as providing a cross-section of democracy in action. That's what they were and that's what they still are, and that makes them prospects, too."

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Prudential Men Hear D'Olier Talk on Bombing Survey

Dinner Winds Up First Three Day Conference in Five Years

NEW YORK—An absorbing account of the work of the United States strategic bombing survey was the big event of the Prudential's business conference dinner which wound up the first full-scale convention of managers, superintendents and group representatives the company has had in five years. The speaker was Col. Franklin D'Olier, chairman of Prudential and chairman of the bombing survey, which made extensive first-hand investigations in Europe and Japan. His talk contained a number of sidelights, some of them personal, not to be found in ordinary news accounts.

A new feature of the dinner was that two leading superintendents of industrial offices and two leading ordinary managers were seated at the head table. Vice-president H. M. Stewart introduced P. D. Conley of Los Angeles, superintendent of the leading district for 1945, and E. L. Cassidy, superintendent at Worcester, Mass., leader for the year to date. Vice-president G. H. Chace introduced Manager J. M. Pinkerton of Oklahoma City, first to qualify on a seven-point basis that included conservation and general agency development as well as production; and C. D. Jolly, manager at Denver, who was second to qualify.

President C. M. Shanks introduced Commissioner Carey of New Jersey, who spoke briefly.

As bombing survey chairman Col. D'Olier traveled 60,000 miles by air and made four round trips across the Atlantic and one over the Pacific. He traveled 10,000 miles in a B-17 in six days. He said that when he was first called on to take the job he was not aware of the distinction between strategic and tactical bombing. Someone explained that tactical bombing is kicking over a pail of milk; strategic bombing is killing the cow.

Col. D'Olier said there could be no doubt of the decisive effect of strategic bombing on German railroads and oil. The shortage of gasoline reduced the training of aviators so that they were easy marks for Allied flyers.

In Tokyo the survey had its headquarters in a life company home office building and he had to explain that he hadn't come over to buy Meiji for Prudential. He said that it was impossible to describe devastation done by atomic bombs at Hiroshima and Nagasaki and that anyone who says it is no worse than a 10-ton blockbuster doesn't know what he is talking about. He said the effect is 100 to 1,000 times as great, depending on the target.

Because of the tremendous damage that can be done from the air, he urged the necessity of doing all that is necessary to make the United Nations work but that until we are assured that this country and the world at large are fully protected by the United Nations, we must see to it that we become the great force for peace by being strong ourselves.

Patrice Munsel, Metropolitan Opera coloratura soprano and star of Prudential's "Family Hour" on the radio sang several songs. It was the first time that many of the audience had seen their radio star in person and her appearance was as attractive as her singing.

Insurance Program for Bank Employees

Connecticut Commissioner Approves Retirement, Group Benefits

HARTFORD—Approximately 70 savings banks throughout the state will soon have the option of putting into effect a retirement and insurance plan for their employees.

Authorization for such a plan was granted by the general assembly last year with the provision that the plan be approved by State Bank Commissioner Rapport and that at least ten banks subscribe to it.

As a result, a special committee of the Savings Bank Association of Connecticut, headed by C. L. Avery, New London, submitted a plan to Commissioner Rapport and his approval has been obtained.

Although the law permits financing the plan through either a trust fund or an insurance company, the committee decided to have all the benefits guaranteed by an insurance company and

selected the Aetna Life as the underwriter.

The plan was worked out by the committee and by Aetna Life after studying savings bank retirement plans in Massachusetts and New York, as well as in a number of financial institutions throughout the country.

Benefits will be provided by one master contract, thus making it possible for even the smaller banks to participate, even though individually they could not meet the minimum underwriting requirements as to number of employees.

Trustees of each bank in the state will decide whether or not to approve the plan for their own institution. If the decision is favorable, the question will be submitted to employees and at least 75% of the eligible employees must subscribe to the plan before it goes into effect.

The plan provides for two types of benefits: Group life and a retirement income.

Group life benefits will apply to all regular full-time employees who have completed one year of service with banks that join in the plan. The amount of insurance depends on the annual earnings and varies from a minimum of \$1000 of insurance for employees whose earnings are under \$1600 per year to a maximum of \$3000 for employees whose earnings are at least \$2800 per year.

If an employee dies before retirement, the group life is payable to the beneficiary designated by the employee. If an employee becomes totally and permanently disabled before age 60, his insurance will remain in force as long as he remains disabled.

Banks to Bear Cost

The entire cost of the insurance is to be paid by each bank. Banks which already have group insurance for their employees may continue these plans instead of adopting the insurance benefits of the state-wide plan.

The retirement plan is available to all regular full-time employees of each bank who have attained age 30 but are under age 65. An unusual feature of the plan is that on earnings under \$250 per month, the employee may elect to contribute 2%, 3% or 4% of his earnings and the employee may change his rate of contribution on July 1 of any year.

On any excess of earnings over \$250 per month the employee contributes 5%. Higher contributions are required on earnings above \$250 per month to take into account the fact that social security benefits apply only to the first \$3000 of annual earnings.

For retirement benefits based on service in the future the bank will pay one and one-half times each employee's contribution. Thus if an employee elects to contribute 3% of his earnings the bank will pay 4½% of that employee's earnings.

It is estimated that an employee who contributes the maximum amount permitted by the plan from age 30 to age 65 will be entitled to an income thereafter of from 35% to 50% of his average earnings. Social security benefits will increase this to a total of from 60% to 80% of his average earnings.

The plan makes provision for past service benefits for employees who are over age 35 when a bank adopts the plan. The amount of past service benefit is equal to 1½% of present salary for each full year of service that the employee has rendered from the date he attained age 35 to the effective date of the plan. The entire cost of these past service benefits is to be paid by the bank.

Retirement benefits normally commence at age 65 and are payable as long as the employee lives thereafter. However, with the bank's consent, an employee with at least 10 year's service may retire on a reduced benefit at any time after attaining age 55, subject to the limitations of the state law.

Instead of receiving the regular form of retirement benefit an employee may elect a reduced retirement benefit to be paid as long as he lives, with the further

Slogan Winner



Mrs. Edith V. Levy is here receiving from President John A. Stevenson a check for \$100 as the winner of the slogan for Penn Mutual's 100th anniversary, it being "Saluting a Second Century of Security."

Mrs. Levy is with the Penn Mutual Engelsman-Phillips agency at New York and is the widow of Felix U. Levy, who was one of the leading agents of Penn Mutual.

Discussions Are Held by Life Advertisers

The Eastern Round Table group of the Life Insurance Advertisers Association met last Thursday and Friday in New York. Instead of having speeches, the entire program was set up as round table discussion groups.

R. B. Reynolds, secretary American Mutual, president of the conference, was on hand to get the meeting started. Sessions were entirely handled by the group session chairmen: D. W. Tibbott, New England Mutual, on national advertising; A. F. Sisson, State Mutual, on direct mail; A. L. Cawthorne-Page, Metropolitan Life, Canada, on publications; N. A. White, Provident Mutual, on merchandising the advertising; Seneca Gamble, Massachusetts Mutual, on sales promotion, and A. H. Thiemann, New York Life, on public relations.

The round table plan proved satisfactory to those who attended and it was suggested in talks at the Friday closing luncheon that future meetings provide a similar method of studying the problems confronted by members.

provision that all or a specified part of this benefit will be continued after his death during the remaining lifetime of another person, usually his wife, named by him.

At death of an employee his contributions are paid to his beneficiary with 2% compound interest. This amount is reduced by any retirement benefits that the employee has received prior to his death.

An employee who leaves the service of the bank before retirement will have returned to him all of his contributions with 2% compound interest or he may elect to leave all of his contributions with Aetna to provide an income after age 65. Under this latter option the employee who has contributed under the plan for at least five years and has attained age 45 when he terminates employment will retain full credit for the retirement benefits that have been purchased by the bank's contributions.

An employee who transfers from one savings bank to another is protected against loss of benefits previously purchased for him.

Joins Father's Agency

Sheldon S. Edelson has returned after three years in the army, most of it in Europe, to join his father, Edward Edelson, in the Sunset agency and Postal Insurance Service in Chicago.

Require A. & H. Loss Ratio Breakdown by Policy Types

Zone 4 Commissioners Also Want Examination Manual Prepared

A complete breakdown of loss ratios of health and accident carriers on their various types of policies is to be required of all such carriers licensed in zone 4 states, it was decided at the zone meeting of the National Association of Insurance Commissioners in Pierre, S. D. Commissioner Forbes of Michigan was reelected zone chairman and zone representative on the N.A.I.C. executive committee.

States represented were Illinois, Indiana, Iowa, Michigan, Minnesota, North Dakota and South Dakota. Montana, which is in zone 6, sent Deputy Commissioner Flaherty and an examiner as invited observers.

Hit at Low Loss Ratios

Commissioner Forbes said the resolution relative to health and accident reports is intended to bring to light data on what appear to be abnormally low loss ratios in certain lines, indicating that rate adjustments should be made in fairness to the public. The resolution provides "that the zone chairman be instructed to notify all companies issuing policies of accident or health insurance and accident and health (combined) and group accident and health insurance, doing business in any one or more of the states in zone 4, to prepare statistics on the total country-wide experience applicable to the various policy forms issued by the company, information so scheduled to be reported on or before March 1, 1947, sufficient to complete the schedule sent out by the commissioner, by years for each year from Jan. 1, 1942, to Dec. 31, 1946, and subsequent yearly filings shall be required 60 days after close of the calendar year."

It was explained that the requirement is not intended to apply to "double indemnity, waiver of premium and other disability benefits embodied in life contracts."

Confusion on Examination Procedure

Another motion, adopted unanimously, instructed the zone chairman to ask the executive committee of the N.A.I.C. to request the examination committee to draft and arrange to have published an instructional manual covering all established rules and procedures to be followed on conference examinations. It was pointed out that lack of a standard has brought about confusion and misunderstandings on the part of the examining staffs of various states participating in such examinations. Such matters as the permitted per diem charge, Saturday work credit and other such procedural detail, differing in many of the states, would be straightened out by adherence to manual specifications, it was noted, thus tending toward more efficient cooperation between participating examiners and elimination of possible sources of friction.

Mueller Is Host

Commissioner Mueller of South Dakota was host at the meeting, with Commissioner Forbes presiding at business sessions. Messrs. Forbes, Pearson of Indiana and Johnson of Minnesota went on from Pierre to French Lick, Ind., for sessions of the all industry committee and the committee on rates and rating legislation.



★ WE URGE THAT YOU READ WITH ESPECIAL CARE THE REPORT OF THE LEGISLATIVE COMMITTEE OF THE N. A. L. U. RELEASED LAST WEEK AT OMAHA. . . .

THE REPORT CONTAINS one suggestion which is pertinent and valid, namely that a tax incentive be given the self-employed man who is not under Social Security, and who because he is not on a corporation payroll shares in no company pension plans.

IF THIS MAN from his own resources and acting upon his own initiative makes proper death and old age provision through life insurance, he is entitled to some lightening of his tax burden.

THIS IS ONE PROVISION which is so properly fair and just that if properly presented, it should have little difficulty in being enacted.

SOMETIMES LIFE INSURANCE IS PLACED IN THE POSITION OF ASKING SPECIAL PRIVILEGES WHICH LEGISLATORS HESITATE TO GRANT—BUT THIS PROPOSAL IS NOT A SPECIAL FAVOR BUT RATHER AN ACT OF SIMPLE JUSTICE.

PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

(A SERIES OF ADVERTISEMENTS ILLUSTRATING HOW LIFE INSURANCE AGENTS SERVE THEIR COMMUNITY BY SELLING LIFE INSURANCE)



The Brady Company Owes a Debt of Gratitude to some Life Insurance Representative

SAM WILLIAMS is one of the best employees of the Brady Company, Inc. Sam works 40 hours a week and that means 40 hours of work every week, because Sam has his mind on his job.

But would that be so if an Equitable Society representative hadn't aided him with his personal insurance problems, or if the Brady Company hadn't provided Group Insurance and a Pension Plan? Suppose Sam spent part of his 40 hour week worrying about his "troubles"? Would he ever be able to retire at the rate he was saving? What would happen to his family if he should die?

Millions of men in America once faced their own

"sea of trouble", until some life insurance man stepped into the picture.

Equitable Society representatives are not always thanked by those whom they have assisted, but their silent, indirect contribution to the community at large is often more important than the immediate benefit to the policyholder.

Equitable Society field men can be proud of the respect that is theirs as members of a highly regarded profession, and as representatives of an institution like The Equitable Society. They can be prouder still that by serving Equitable Society members... they serve America.

Do you like true, dramatic crime stories?

TUNE IN ON "THIS IS YOUR FBI"

American Broadcasting Company

EVERY FRIDAY NIGHT



**THE EQUITABLE
LIFE ASSURANCE
SOCIETY
OF THE UNITED STATES**

THOMAS I. PARKINSON, President • 393 Seventh Avenue, New York 1, N. Y.

CAN YOU DEVELOP LIFE UNDERWRITERS?

One of the largest life insurance agencies in the east plans to increase its already substantial ordinary production to 25 million annually. We need help — a man who will direct our growing full-time staff. The man we seek to assist us is one who has had:

- A** A record of successful personal production
- B** A record of success in developing men to produce \$250,000 to \$1,000,000
- C** A practical knowledge of business insurance, estate analysis and pension plans

A good income assured the right man. Opportunities are unlimited.

If you are interested — first, talk it over with your agency head if you are under contract — second, write to us as fully as possible, enclosing a photograph.

CHARLES B. JOHNSON

General Agent

JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY

1 FEDERAL STREET, BOSTON, MASS.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

Juvenile Policies in New York

Variety of Plans Developed in Last Year to Meet Legal Eccentricities

By ROY ROSENQUIST

Juvenile insurance, other than industrial, at the ages 5 to 9, inclusive, may be written in New York in amounts up to \$5,000, including all other insurance on the child, provided the applicant has at least four times as much insurance on his own life at the date of issuance of the policy.

This became possible when Governor Dewey on March 27, 1945, signed an amendment to section 147 of the New York insurance law. By April 24, 1945, the attorney general had given his opinion regarding the interpretation of the law, and the life insurance companies, freed from the \$400 maximum on children between the ages of 5 and 9, got busy on their new juvenile policies for New York. Soon the companies were printing their "limitations on amount of insurance" clauses and announcing their new policies. And the new forms are still rolling out. Among the companies issuing up to \$5,000 immediate coverage at ages 5 to 9, at the same rates as for similar coverage in other states, are:

Aetna Bankers, Ia., Berkshire Life, Canada Life, Columbian National, Connecticut General, Connecticut Mutual, Continental Assurance, Continental American, Eastern Life, Equitable, Ia., Fidelity Mutual, Guardian, N. Y., Home, N. Y., John Hancock, Manhattan, N. Y., Massachusetts Mutual, Metropolitan, Mutual Benefit, N. J., Mutual Life, N. Y., National Life, Vt., New York Life, Paul Revere Life, Penn Mutual, Postal Life, N. Y., Provident Mutual, Prudential, Security Mutual, N. Y., State Mutual, Travelers, Union Mutual.

Lower Death Benefits

If the applicant does not have four times as much insurance as the child age 5 to 9, the old maximum of \$400 still stands. The following companies have been issuing policies of \$400 with an ultimate amount of \$1,000 at age 10, with premiums adjusted because of the lower death benefits to age 10:

Colonial Life, Eastern Life, Farmers & Traders, Manhattan, N. Y., Massachusetts Mutual, Mutual Trust, Postal Life, Savings Bank, N. Y., Travelers (term to age 21 only), Union Mutual.

Most companies will issue more than one unit of the above plan at ages 5 to 9 if the immediate benefit does not exceed \$5,000 (or 25% of the applicant's insurance) and if the ultimate amount at age 10 does not exceed 50% of the applicant's insurance at the time the new policy is issued.

10-14 Limits Unchanged

The 1945 amendment did not change the limits for insurance at ages 10 to 14. Any amount of insurance, subject to a company's own underwriting practice, may be written if the applicant has at least twice as much insurance as the total on the child. If this requirement is not met, a child may be insured for the following amounts only: Age 10, \$1,100; 11, \$1,200; 12, \$1,300; 13, \$1,400; 14, \$1,500.

The maximum death benefit in New York for children ages 0 to 4, inclusive, is:

Under 6 months, \$100; age 1, \$200; 2, \$300; 3, \$400; 4, \$400.

Policies graded as above, remaining at \$400 from ages 3 to 9, and reaching an ultimate amount of \$1,000 at age 10, are issued only if the child has no other insurance whatever. No more than one unit may be purchased. The following companies issue such policies at ages 0 to 4:

Berkshire Life, Colonial, Columbian National, Eastern Life, Farmers & Traders, John Hancock Mutual, Manhattan, Metropolitan, Mutual Trust, Penn Mutual, Postal Life (age 0 not

issued), Savings Bank, State Mutual, Travelers (term to age 21, only), Union Mutual.

\$1,000 Ultimate at Age 5

Or, some companies will issue policies graded as above with an ultimate amount of \$1,000 at age 5 if the child has no other insurance. As the New York law states that the minimum death benefit at age 5 is \$400 unless the applicant has at least four times as much insurance on his own life, a policy with an ultimate amount of \$1,000 at age 5 requires that the applicant own at least \$4,000 insurance. Only one unit can be issued. Companies including this plan of graded death benefit among their other plans are:

Equitable, Ia., Metropolitan, Prudential, Security Mutual, Union Mutual.

The following companies operating in New York are not yet issuing juvenile insurance there under age 5:

Aetna Life, Bankers, Ia., Canada Life (now at age 5 to 9), Connecticut Mutual, National (now at ages 5 to 9), New England Mutual.

Total Premiums Accumulated

A form of juvenile insurance being issued by an increasing number of companies is that having a death benefit equal to the total premiums accumulated at rates of interest varying from 2½% to 3½% if death occurs before age 5 or 10.

A child age 0 to 4, even if insured for the maximum amount up to \$400, can thus be issued insurance totaling \$5,000 payable if he dies at age 5 or after, provided the total amount does not exceed 25% of the applicant's insurance; or, a child age 0 to 9 can be issued total insurance not to exceed 50% of the applicant's and payable if the child dies at age 10 or after. It is a way of starting a child on an insurance program. The following companies—there will be more of them—issue return premium plans at the ages shown:

	Ultimate at age 5	Ultimate at age 10
Berkshire Life	0-4	0-9
Connecticut General	0-4	0-9
Continental Assurance	0-4	0-9
Fidelity Mutual	0-4	0-9
Home	0-4	0-9
Manhattan	0-4	0-9
Massachusetts Mutual	0-4	0-9
Mutual Life	0-4	0-9
New York Life	0-4	0-9
Paul Revere Life	0-4	0-9
Penn Mutual Life	0-4	0-9
Provident Mutual	0-4	0-9
State Mutual	0-4	0-9
Union Central	0-4	0-9

Berkshire and Guardian are issuing at age 0-4, in addition to their other types, graded death benefit following the New York schedule and reaching an ultimate amount of \$1,500 at age 14. Equitable Society (at ages 5 to 9) and Farm Bureau issue in New York the same type of graded death benefit as they issue in other states.

George R. Williams Elevated by L. & C.

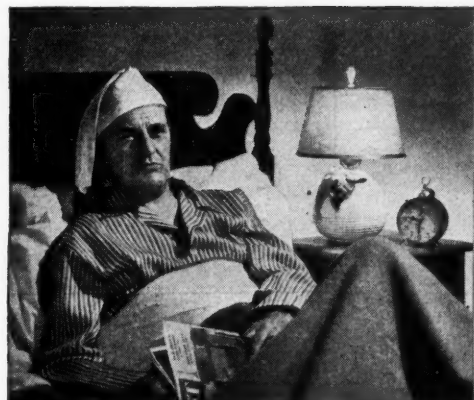
George R. Williams, Mobile district manager for Life & Casualty, has been elected vice-president and division manager of the southeastern division, succeeding W. V. Walker, elected executive vice-president.

Mr. Williams came up through the ranks of the company and is well known throughout the field. He is a native of Riverview, Ala., entering the service of the company in 1924 in the office of his father, W. R. Williams, then manager of the district office at West Point, Pa. He worked a debit and later was promoted to superintendent at Columbia, S. C. His experience since that time has been varied.

ough the
ll know
native o
service o
ce of h
manage
oint, Pa
was pro
Columbi
at tim



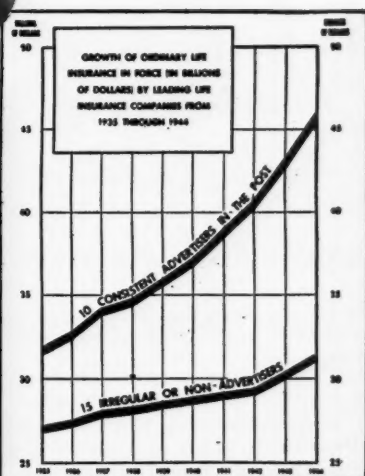
The prospect
who found he was only
half covered



A good prospect is reading his favorite magazine (his wife reads the Post, too—an important consideration in selling of insurance) when an insurance advertisement makes him realize he's only half covered. (Survey after survey shows people **READ** ads in the Post—far more than in any other magazine.)



So when the agent calls, he finds two kinds of pre-selling *already done*; prospect is *aware* of his own need for additional coverage, and he *knows* and *respects* the company the agent represents. (*Leading life companies advertise consistently in the Post, the magazine which holds the confidence of people in every community.*)



How are these companies doing? Topline of chart shows 10-year progress of 10 companies who have placed more of their advertising investment in the Post than in any other magazine. Their growth of ordinary life in force tops by 340% that of 15 irregular or non-Post advertisers.

it pays to have the Post pave the way

POST



N.A.L.U. Sales Congress Affords Agents Top Fare

**Ideas and Humor
Reward to Those
Who Brave Rain**

By RICHARD J. THAIN

A capacity crowd braved its way through driving rain to the Masonic auditorium to hear Harmon S. Jones, Omaha general agent for Penn Mutual and chairman of the sales congress committee, introduce Mayor Leeman of Omaha and set in motion the N.A.L.U. mid-year sales congress featuring some of the industry's ablest speakers. The audience rose in a body following the

mayor's address to applaud the people of Omaha for their hospitality.

Lead off speaker was Holgar J. Johnson, president of the Institute of Life Insurance, who in a ringing speech said that the agents are the public relations men of the industry and that public attitude is largely a reflection of the relation between the agent and those he solicits and services.

Though in the shadow of atomic, inventions the insurance business might at times appear trivial, Mr. Johnson declared it is of the greatest importance because it is a vital pillar of American economic life.

He described public relations as an entity separate from advertising or publicity with which it is often lumped. He defined public relations as 90% performance in the public interest and 10% telling about this performance.

Mistaken Presumption

He termed a major mistake the presumption that public approval and public acceptance are synonymous. The man who does business with an agent does not necessarily like that agent, Mr. Johnson said. Not only must the insurance man perform, but he must make the public aware of this performance.

(CONTINUED ON PAGE 28)

Three Metropolitan \$1 Million Men

Three Metropolitan men who wrote \$1 million or more life insurance in 1945 are Manager Aaron Goldstein, Fenway District, Boston; Irving R. Aaronson, and Peter Demetriou, both of the Murray Hill, N. Y., district.

Mr. Goldstein placed more than \$100,000 in three months, the remaining nine averaging about \$40,000. He joined Metropolitan in Boston in 1927 and became assistant manager there in 1929. In 1936 he became general assistant manager, field training instructor the same year, and in 1937 was made manager at Whitman, Mass. He was transferred to Worcester in 1939 and the following year to the Fenway, Boston, district.



A. Goldstein

Records of New Millionaires

Mr. Aaronson's average sale for 1945 was about \$10,200 in 101 policies for a



P. Demetriou



I. R. Aaronson

total of \$1,034,257. He has been with Metropolitan since 1929 and qualified for the \$100,000, \$200,000 and \$500,000 clubs several times.

Mr. Demetriou reached \$1 million by selling \$100,000 of business in his last week. His total for the year was \$1,017,432 in 149 policies. He has been with Metropolitan over 20 years, qualifying for the \$200,000 club in 1941 and the quarter million dollar club in 1944.

Boston Attorney Criticises Lack of Admission Rules

BOSTON—The Massachusetts insurance law was severely criticised before the joint legislative insurance committee by George B. Rowell, prominent Boston attorney, on the grounds that admission of new companies is hindered because the statutes set up no standard for admission but leave the matter too much to the discretion of a commissioner. He declared he did not intend to reflect upon the present commissioner when he expressed the belief there were too many unreviewable decisions by officials in the state and elsewhere in the country.

Cites Lack of Standards

He felt the committee in revising and recodifying the law should take into consideration the lack of standards which should be the groundwork for official decisions and that judicial review should be allowed in all cases. He also criticised the reciprocal law which placed a burden upon the commissioner which invariably led to trouble.

Commissioner Harrington presented blanks to show that definite requirements were set out for companies desiring to enter the state. He stated there were about six companies seeking admission whose applications had been held up for some time pending compliance with certain requirements and requests.

Prudential Resumes in Texas After 39 Years' Lapse

Admiral Eubank to Supervise Development of State; Hill Dallas Manager

NEWARK—After an interval of 39 years, Prudential is reentering Texas, it was announced here by Carrol M. Shanks, president. Relicensed to do business in the state since 1928, the first ordinary agency in Texas since 1907 will be opened under the management of James G. Hill, a Texan, in the Republic Bank building, Dallas. His appointment dates as of April 1.



GERALD A. EUBANK

Other offices for the sale and servicing of ordinary and group insurance will be opened in principal cities later in the year.

Rear Admiral Gerald A. Eubank, now



JAMES G. HILL

on terminal leave from the navy, is in charge of inaugurating the company's reentry into his native state. He was selected for this important assignment because of his well known organizing abilities and the fact that he is a Texan.

(CONTINUED ON PAGE 32)

The COMMONWEALTH Commentary

A JOURNEY—NOT A DESTINATION

One of the great lessons that we can learn from the man of true achievement is that success is a journey, and not a destination.

There is a philosophical maxim to the effect that life is an incline, an incline so steep that man cannot for an instant stand motionless in his progress upward, that he must either maintain his forward momentum or drift backward. So steep is this incline that brakes are of no purpose—they cannot maintain one through any halt.

One of the world's most tragic spectacles is that of a man who forgot that brakes won't work along life's steep pathway. Most of us know of some baseball player, who rose like a meteor from the minor leagues into the majors through sheer hard work and ambition, but who eventually slipped back into the minors and to obscurity because he thought consciously or unconsciously, that his laurels would hold him fast.

Some of us, too, remember life underwriters who thought the gains of a few years' hard work would carry them through, but who learned that quite literally life has no brakes—that success is not a destination, nor some static waypoint along life's incline, but a never-ending journey.

Insurance in Force, Feb. 28, 1946 — \$270,972,992

COMMONWEALTH
LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President



95th ANNUAL STATEMENT

★ Gross premium income exceeded any previous year, being over \$33,000,000. This was a gain of over a million dollars in comparison with 1944.

★ New insurance paid for totaled \$52,319,000, increasing the insurance in force by \$31,542,000, giving a total insurance in force of over \$814,000,000.

★ Assets increased \$28,698,000 to a total of \$386,044,000. This is a larger gain than in any previous year.

★ Only 1.6% of all insurance in force at the beginning of the year went off the books for any reason except death or maturity. This is the best record of persistency in the history of the company.

★ It is significant at this time to observe the manner in which the Phoenix Mutual has come through the four trying years of war. Assets have grown from \$287,000,000 to over \$386,000,000; insurance in force from \$711,000,000 to over \$814,000,000; and gross premium income from \$28,000,000 to over \$33,000,000. The ratio of insurance lapsed during the year to insurance in force at the beginning of the year declined from 3.3% in 1941 to 1.6% in 1945.

Phoenix Mutual Life Insurance Company of Hartford, Conn.

Cites Conflicts in Making Insurance Federally O. K.

There is food for thought in the comments of U. S. Attorney General Clark in an article in the January issue of "Nation's Business" explaining the reasons for the suit by the Justice Department against western railroads, for those in the insurance business who fear the effects of the S.E.U.A. decision, Commissioner Seth B. Thompson of Oregon told the Life Agency Managers of Chicago at a luncheon meeting Monday. The Attorney General addressed his talk primarily to the transportation companies, but also was speaking to all interstate commerce subject to the anti-trust act. The commissioner is executive committee chairman of the National Association of Insurance Commissioners.

Clark explained, "We are not challenging the rate-making authority of the interstate commerce commission. We are charging the railroads with collusion in violation of the anti-trust laws, in the way in which they get together and prepare their rate structures for submission to the commission. We charge that in their practice a carrier is prevented from seeking to lower its own rate and that competition is therefore stifled . . . price fixing, good or bad, is against the law per se. . . ."

Commissioner Thompson especially commented on the conflict between the interstate commerce commission act which was passed Feb. 4, 1887, acknowledging the wisdom of private co-

operation in rate-making in the transportation field, and the anti-trust laws, such as the Sherman and Clayton acts. "Certainly the attorney general's forthright disclosure of the conflict between the interstate commerce commission act and the anti-trust laws does not simplify the perplexing controversy between the two radically different solutions of the question, 'How shall insurance rates be promulgated?'" Thompson said. The attorney general in his article stated " . . . a system of fairly definite traffic lights has been established and the department (of justice) is the director. If the light shows green, you go ahead; if it shows red, you stop. There is no reason to believe that any of our businesses or their lawyers are color blind. If they are in doubt as to what they can do and cannot do. . . . they can come in to see me."

"However the prospect outlined by the Attorney General may be understood and received," Thompson commented, "any evaluation of the public interest with respect to the business of insurance cannot escape comparing the history of railroad bankruptcies and reorganizations and the present condition of the nation's railroads after having been 16 years under federal supervision and regulation, and the history of insurance company impairments and rehabilitations and the present condition of the nation's insurance companies after more than 80 years under state supervision and regulation. It is not necessary to develop here the details of such a comparison. It is important to remember that 'law only affects the country through administration.'"

Oblivious to Change

Thompson said most of the public is oblivious to any change affecting the policyholder by reason of the new status of insurance under the S.E.U.A. decision.

"Indeed," he said, "there should be no such change if there can be proper accommodation to that decision and to public law 15. Always, of course, there is the possibility that efforts may be exerted to make insurance a federally owned industry. Such an eventuality would affect tremendously the insuring public and the field representatives. Possibly in some strangely unsuspected quarters this objective is sought."

He said, however, that the governments of the nation and the states are not alien to each other but co-exist within the same territory and have common concern in regulation of interstate commerce within that territory. "With such common purpose on the part of state administrators and federal legislators there is no immediate likelihood of a successful threat from public ownership advocates. There are some indications that at least certain federal administrators have convictions, strengthened during the war, that the taxing power of government is much more profitable for governmental purposes than ownership by government. They realize 'you can tax repeatedly but you can confiscate but once.'"

Conflicting Ideas

The two conflicting ideas which are creating the present concern of insurance people, state insurance supervisors and even federal officials, are those of private cooperation and public regulation. Thompson said the public regulation principle invokes the competition solution and presupposes that competition is the most effective method of securing justice in insurance rates as between communities, classes of risks and individuals. "It assumes that there should be applied to insurance rate-making the doctrine John Stuart Mill applied to the commodity market in his 'Principles of Economics' that 'when relieved from the immediate stimulus of competition, producers and dealers grow indifferent to the dictates of their ultimate pecuniary interests; preferring to the most hopeful prospects the present ease of adhering to routine. A person who is already thriving seldom puts himself out of the way to commence

Alabama Sales Congress Tours State, April 4-6

The three day sales congress of the Alabama Association of Life Underwriters will be held April 4 at Birmingham, April 5 at Montgomery and April 6 at Mobile. The hotels in which it will convene are the Tutwiler, Jefferson Davis and Admiral Semmes, respectively.

Opening speaker and presiding officer will be George E. Hester, association president, General American Life, Florence. Speakers at the 9:45 morning sessions will be Joseph L. McMillan, Mutual Life of N. Y., Memphis, on "Essential Steps in Life Underwriting"; John J. McConneghey, Metropolitan Life, Atlanta, on "Salesmen for Underwriters, Which?"; Glenn W. Isgrig, Reliance Life, Cincinnati, who will speak at Birmingham only on "Having Fun Selling Life Insurance"; Briant Sando, "The Insurance Field," Louisville, on "Selling Your Services and Yourself."

Speakers at the afternoon session, starting at 2 p. m., will be Richard G. Hicks, Employers Life, Birmingham, who will speak at Montgomery and Mobile on "Don'ts and Musts"; Charles E. Fritsche, General American Life, St. Louis, on "Business Insurance—The Market and the Responsibility"; Herbert R. Hill, Life of Virginia, Richmond, Va., on "Increased Production in 1946 via Plan Presentation."

even a lucrative improvement unless urged by the additional motive of fear lest some rival should supplant him by getting possession of it before him."

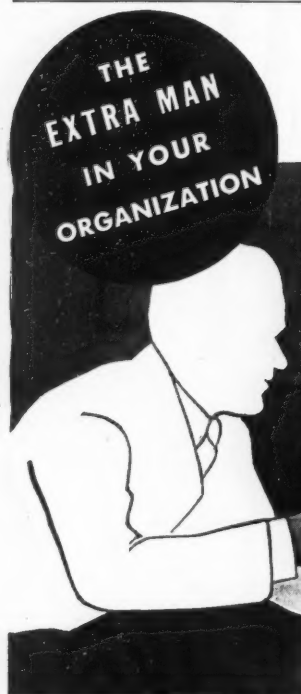
"Private cooperation admittedly involves the risk which history reveals, namely that combinations have at times proved detrimental to the public welfare," Mr. Thompson commented. "History also reveals that cooperation in insurance rate-making attains the greatest measure of equity, solvency and economy. All of these attainments are of keen public interest."

"There is a distinction between commodity pricing and insurance pricing, that is found in the fact that so far as concerns any individual transaction with respect to a commodity, the commodity passes to the buyer at the conclusion of the sales negotiation and the public interest is not affected by what may happen to the seller after completion of the sales transaction, whereas in every individual transaction in insurance the obligation to the buyer is continuing and the public interest is concerned vitally with what happens to the seller after the insurance transaction is negotiated."

"Since the prices charged in the original transaction determine the major item in an insurance company's reserve liabilities and thereby control to a major degree what shall happen to the seller after completion of the transaction, the public interest is as much concerned with adequacy of insurance rates as with their reasonableness. Obviously this concern is not alone with rates produced through concert of action between two or more companies. It is equally serious when the rates are developed and used by a single insurer acting independently."

"About 35 years ago state legislation began the attempt to combine the principles of private cooperation and public regulation. The difficulty has been to reconcile in statutory provisions the concept of regulation of insurance rates through competition with the concept of cooperative promulgation and use of these rates."

Thompson said it is most desirable to retain under any legislative program "that high character and capability within the insurance industry which can thrive only when there is assumption by the industry of responsibility and initiative, and which can only wither and die when the industry is divested of responsibility and initiative."



A Connecticut General specialist from the brokerage department of the Connecticut General office in your community can in his usefulness become practically an EXTRA man in your organization.

He combines a thorough knowledge of brokers' and clients' problems with the broad facilities of a company that handles all forms of Personal insurance, Group insurance, Business insurance and Pension plans. His own technical experience is further backed by Connecticut General's Advisory Bureau.

Call this EXTRA man at your nearest Connecticut General office.

**CONNECTICUT
GENERAL**

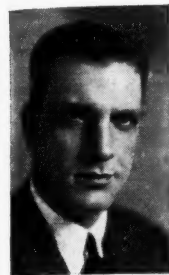
LIFE INSURANCE COMPANY
HARTFORD 15, CONNECTICUT



**BETTER SERVICE
THROUGH BETTER MEN**
LIFE INSURANCE, ACCIDENT AND
HEALTH INSURANCE, SALARY
ALLOTMENT INSURANCE, AND AN-
NUITIES, ALL FORMS OF GROUP
INSURANCE AND GROUP ANNUITIES

Reliance Life Names Group Definition Johns V. P. and Agency Head Law in New Jersey

PITTSBURGH—Col. John F. Johns Tuesday was elected vice-president in charge of agencies of Reliance Life. He succeeds H. T. Burnett who retired recently.



Col. John F. Johns

Col. Johns virtually grew up with Reliance Life. He was born at Pittsburgh in 1899. Reliance was organized in 1903. He started with the company in his teens, working in the home office after school hours and during summer vacations, and began his agency career in 1918, as a part-time agent while attending college.

He served in the first war but returned to graduate from University of Pittsburgh and from the law school of Duquesne University in 1922. He also returned as a full-time agent for Reliance Life in 1923 and in his first year sold \$197,158 of new insurance.

In 1924, Col. Johns was named agency organizer of the western Pennsylvania department. Less than a year later he was promoted to manager of the Oregon department at Portland.

Moves to San Francisco

He was transferred to the northern California department in 1926. He graduated from the Research Bureau's training school in management there in 1932. He held various offices in the San Francisco Life Underwriters Association and was a director of the California association.

In 1935 he was called to the home office as assistant superintendent of agencies. A year later he was appointed superintendent of agencies in charge of the eastern division.

In 1942, he was commissioned a major in the adjutant general's department of the army. He became officer in charge of officer procurement service at Pittsburgh and after eight months was promoted to lieutenant colonel in charge of the officer procurement division of the fifth service command at Columbus. He went to Washington early in 1944 as chief of the planning branch for army recruiting. He inaugurated the adjutant general's planning board. He was promoted to colonel. In his last assignment he reorganized all war theme sponsored advertising activity under the direction of the adjutant general.

The War Department cited Col. Johns and he was presented with the medal of the legion of merit last July. He returned to Reliance Life at that time.

New Lien Reduction on National Life, U. S. A. Policies

Washington National has announced a further reduction of 20% in the liens outstanding against policies in the National Life Fund, representing business of the former National Life, U.S.A. This is the sixth reduction that has been made in these liens and the fourth reduction since the administration of the National Life Fund was assumed by Washington National.

During 1945 the contingency reserve of the fund increased \$719,539 to \$1,985,743. The reduction in liens and corresponding payments on certificates of participation amounts to \$1,276,431, leaving a contingency reserve of \$709,312. The mortality of the fund continues favorable and the lapse rate in 1945 was only 2.4%.

It is predicted that with continued conservative management, liens will be further reduced.

Employees of trade or business associations are now eligible for coverage under the definition of group life insurance contained in a bill passed by the New Jersey legislature and signed by Gov. Edge.

The new bill states that the term "employer" shall include the trustee or trustees of a fund, established by employer members of a trade or business association, and maintained by contributions

of contributing employers, which may include trade or business associations.

Other changes in the previous New Jersey definition delete the restriction that debts of borrowers from financial institutions or of purchasers from one vendor must be payable over a period of not more than 10 years and provide for the issuance, without physical examination, of a policy of insurance to a policyholder whose obligation may be transferred from one creditor to another.

The new definition permits the inclusion of proprietors and partnerships in group policies and of persons actively engaged in administration of

Chipman Retires; Woodward Named

COLUMBUS—Harry A. Chipman has resigned as manager here for Equitable Society because of illness. Succeeding him is George Woodward, the Cincinnati manager.

V. C. Smith, who has been acting manager during Mr. Chipman's illness, becomes associate manager.

trust funds.

Policies will be incontestable after two years.

\$12,645.67

DAZZLING, ISN'T IT?

Sounds like the sale price of a house, or the salary of a governor, or the kind of figures an actuary deals in. But it's none of these.

\$12,645.67 was the average income of the top hundred Franklin representatives during 1945, based on actual figures as reported to the Collector of Internal Revenue.

The top thirty-five averaged earnings of \$19,117.38.

The top ten averaged \$27,462.77.

Phenomenal? We think so. But as further indication of the unusual and constantly increasing prosperity of Franklin representatives, suppose we compare these figures with those of the previous year:

1944 EARNINGS	1945 EARNINGS	GAIN
\$22,296.21 average for first ten . . .	\$27,462.77	\$5,166.56
\$15,433.74 average for first thirty-five . . .	\$19,117.38	\$3,683.64
\$ 9,742.36 average for first hundred . . .	\$12,645.67	\$2,903.31

We believe that our most important consideration is the success of our representatives. If they succeed, our company is bound to prosper. And to insure their success we provide exclusive, highly salable policy contracts, extremely effective sales aids, genuine home office cooperation, and exceptionally generous commission schedules.

Yes, our theory works.

While our representatives prospered, the company prospered, too. During the past six years both our assets and insurance in force practically doubled.



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$360,000,000.00 Insurance in Force

New Business Landslide Is Continuing

NEW YORK—Plenty of money in the hands of prospects and an absence of competition from strike-bound producers of consumers goods appear to be the principal explanations of the huge rush of new business that continues to

deluge the life companies this month after big increases for January and February. Some new agents have been taken on and quite a few former agents have returned from the armed services but though they are doing good work they are too few in number to account for any large share of the current landslide of new business.

The falling off in war bond purchases has added to the ready cash that is burning holes in the citizens' pockets. Some agency men are wondering how long the present level of sales can con-

tinue after quantities of homes, automobiles, refrigerators, radios, suits and all the other long-delayed postwar products hit the market. Even the most optimistic feel that agents are in for some tough competition.

Home office underwriting departments are working overtime, including Saturdays and evenings, but even so there have been delays in some companies. Underwriting departments have not gotten back nearly all their men who went into the armed forces and there is a decided shortage of skilled clerical help in these offices. Neither underwriters nor clerks in selection departments can be trained in a hurry.

National Income Holds Up

Back of the well-heeled condition of the buyers is the fact that national income has been holding up despite the absence of war industries and the curtailment of peacetime industries because of strikes. High prices, high taxes, and low interest rates have helped considerably to make life insurance an attractive buy to an increasing number of prospects. Not only is it possible to show that today's high prices call for more life insurance to produce the same income to the beneficiary but the low interest available on other investments make it necessary for a man to have more life insurance in his estate if he is going to leave the desired level of income. Finally, taxes leave him less to put into any other type of investment.

Some think the stock market break caused persons with funds and who had been casting a covetous eye on the market to think twice and turn to the security of life insurance.

Many returned service men are in a position to buy today. Officers have their pay during terminal leave and at the same time may be on a private payroll. Many are getting higher salaries than they expected to get thanks to GI training on the job plans.

City and farm real estate has been sold for goodly prices and the former owners may put some of the money in life insurance.

Most observers are convinced that the prevalence of strikes has been a boon to life insurance in that it has deferred the day when consumers goods are again available.

A.L.C. Meet Opens in New Orleans

NEW ORLEANS—A regional meeting of the American Life Convention opened here Thursday with 75 members engaging in open forum discussions. The meeting will continue through Friday.

Officials attending included President Claris Adams, Robert L. Hogg, manager; A. N. Guertin, actuary; Ralph Kastner, associate general counsel, and Mildred Hammond, secretary.

Ask High Court to Review More Tax Case Decisions

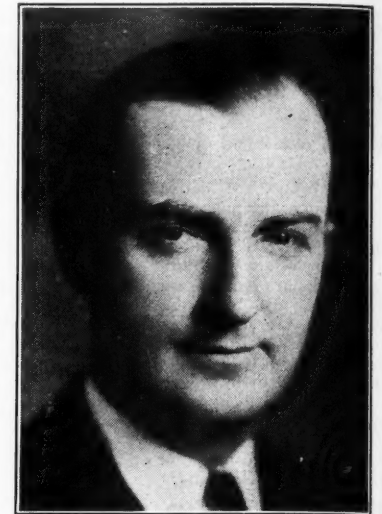
WASHINGTON—The Supreme Court, now in recess, is expected by observers to announce action March 25 on the question of its jurisdiction in cases designated as Nos. 789 and 790, in which appellants are respectively Prudential and Aetna Fire and Commissioner Hobbs of Kansas is defendant.

Both cases involve the Kansas 2% premium tax on foreign companies and the Aetna case also involves the firemen's relief fund tax on fire premiums.

Both companies have filed comprehensive "statements as to jurisdiction," in which they appeal from the Kansas supreme court decision sustaining the taxes. Joseph W. Henderson appears for Prudential in this connection, as he did at recent arguments before the Supreme Court in the South Carolina case involving the premium tax of that state on foreign companies. Associated with him is W. E. Stanley. Aetna is represented by John L. Hunt and George M. Brewster.

McDevitt Heads Committee on Nominations

Frank A. McDevitt, manager of General American at Omaha; Edward Choate, New England Mutual, Los Angeles; Patrick A. Collins, Metropolitan, New York; Arthur F. Priebe, Penn Mutual, Rockford, Ill., and Eber M. Spence, Provident Mutual, Indianapolis, were elected on the first ballot to be members of the N.A.L.U. committee on nominations at the session of the national council at Omaha.



FRANK A. McDEVITT

The newly elected committee members immediately adjourned from the council hall for their first meeting at which they chose Mr. McDevitt chairman. He had been chairman of the ticket sales committee for the mid-year conference and had worked with local associations throughout the central states for some weeks before the conference.

Others on Slate

Others on the slate of candidates for nomination committee membership were Aaron C. Finkbiner, Northwestern Mutual, Philadelphia; James M. Hamill, Equitable Society, San Francisco; Alfred H. Hiatt, Jr., Aetna, Minneapolis; John E. Kaye, Life & Casualty, Birmingham; Karl K. Krogue, Business Men's Assurance, Spokane; H. Kennedy Nickell, Connecticut General, Chicago; Horace F. Sharp, Atlantic Life, Richmond, Va.; E. Dale Shepherd, Connecticut Mutual, Houston; James W. Smither, Jr., Union Central, New Orleans, and Harold Smyth, National Life of Vermont, Hartford.

John W. Paige Resigns Mutual Life Detroit Post

John W. Paige, manager at Detroit of Mutual Life since 1941, has resigned to accept another position.

A graduate of Amherst, Mr. Paige joined Mutual Life in 1928 at Akron. He was later made a district manager there. In 1938 he was appointed agency organizer in charge of recruiting and training new representatives for the Grand Rapids agency.

Knapp Leaves Des Moines for N. Y. for Mutual Benefit

DES MOINES—Russell Knapp has resigned as secretary of the Des Moines Association of Life Underwriters. He has been transferred to New York where he becomes an associate general agent in the Youngman agency of Mutual Benefit Life. He formerly was Des Moines general agent of that company. A successor has not been named.

"IF YOU ARE NOT GETTING INTO THE HOME WITH WHAT YOU HAVE TO SAY, YOU WILL NEVER GET IN WITH WHAT YOU HAVE TO SELL."

Benjamin Franklin

When Life Insurance becomes a family word—worthily regarded by all the family group—the roots of reputation are planted. Through home-roots success is nurtured by the good will of people.

Members of our Field Force have such a reputation. Year in and year out ONLIs have found in the Homes of America the regard and loyalty so necessary to lasting success and good will.

THE OHIO NATIONAL LIFE INSURANCE CO.
Cincinnati, Ohio T. W. Appleby, Pres.



THE OHIO NATIONAL
LIFE INSURANCE COMPANY

CINCINNATI, OHIO

WANTED!

STATE AND ASSISTANT STATE MANAGERS

A large and well-established Life Insurance Company, operating throughout the United States, has openings for men with managerial experience who can earn between \$5000 and \$10,000 per year. Excellent opportunities in the following states:

INDIANA
PENNSYLVANIA

ARKANSAS
MISSISSIPPI

LOUISIANA
GEORGIA

Send photo and give age and experience in first letter—all inquiries will be considered confidential.
Write Box E-56, THE NATIONAL UNDERWRITER, 175 West Jackson Blvd., Chicago, Illinois.

Arnold Believes Trend of Inflation Can Be Stopped

MINNEAPOLIS—The price inflation spiral since 1940 has already cost the average American family \$2,630 and will cost another \$830 in increased prices during 1946, O. J. Arnold, president of Northwestern National, contends.

Added to these dollar-and-cents costs of inflation are bitterness engendered by continuous labor-management strife and lurking dangers in a false prosperity. The first step to reduce this mounting inflation price-tag, he declared, is for the government to pay off the portion of its debt financed through the banks.

If it had been possible to finance the war wholly, instead of partially, from current taxes and savings and so hold prices level, Mr. Arnold estimated the average family's share toward these larger taxes and savings would have been \$1,840, actually \$790 less than it has already paid out in higher prices. On the other hand he calculated the government's bank borrowings, at the lower short-term interest rates, have benefited the average family by only about \$150 in reduced interest cost on the government debt.

Inflation Is Defined

"Inflation is an increase in the quantity and use of money or credit without a corresponding increase in the quantity of things to buy," Mr. Arnold declared. "By borrowing \$66,300,000,000 from the banks to help finance the war, the government increased the country's money and credit supply during the last five years by at least that amount. But this 'easy money' has cost us \$94,700,000,000 in increased prices of things the public has bought during the past five years. If we had chosen instead to pay the \$66,300,000,000 in taxes, we would have had a net saving of \$28,400,000,000. While this saving would not, of course, have been spread evenly over the population, it would have amounted on the average to \$790 per family. And if prices rise another 8 to 10% during the coming year, which is both possible and likely, inflation during 1946 will cost the American public another \$30,000,000,000, about \$830 per family, representing the increase in price levels over 1940. This illustrates the 'snowball' effects of inflation.

Must Reverse Current Trend

"To reverse the current trend we must take the \$66,300,000,000, representing the inflation of the money supply, out of the hands of the banks. This can be done only by a program of raising tax revenues and reducing government expenditures so there will be a surplus to retire the government debt held by the banks, together with inducing individuals and savings institutions—whose ownership of government securities does not contribute to inflation—to buy and hold government bonds in place of the banks. These actions require a courageous government financial policy and an understanding public which realizes that inflation always costs far more than its apparent benefits.

"A government financial policy aimed at reducing the money supply will do more to foster permanent industrial peace than all the wage-price adjustments and labor legislation put together. While there may be other factors also conducive to inflation, they are of minor importance as compared with the primary inflationary influence of expanding the supply of money and credits. The strikes and wage-price bickerings we now have are symptoms of inflated money and represent, in large measure, the efforts of various groups to make other groups pay for inflation. As long as we allow inflation to progress, we will accentuate this strife which, if too long continued, is a real threat to our democratic society."

N. J. Insurers Fight Savings Bank Measure

Efforts of the New Jersey Savings Banks Association to set up savings bank life insurance in that state are meeting with opposition from Prudential, Mutual Benefit Life, and the New Jersey Life Underwriters' association. Since deposits in savings banks are limited to 1% interest, the higher in-

terest assumption in life policies would constitute a subsidy by the depositors to the life insurance department, according to Valentine Howell, vice-president and actuary of Prudential.

Mr. Howell said that savings bank insurance was successful in Massachusetts only because of substantial direct and indirect subsidies by the state and possibly by the depositors in the plan's early years, while in New York and Connecticut the banks have indulged in all sorts of sales efforts short of direct payment of commissions.

As to the New York savings bank life insurance council's claim that S.B.L.I.

is cheaper, Mr. Howell conceded it was cheaper than weekly premium coverage but said the percentage difference cited for ordinary was based on net cost—premiums less dividends and surrender values—which is relatively small for all policies and hence a small addition to the annual payment results in an apparently high percentage difference.

C. E. Brewer, Jr., assistant superintendent of agencies of Mutual Benefit, said the bill would result in many over-the-counter sales to people who had been convinced by an agent of the desirability of buying insurance.



Provident Progress

YEAR	ASSETS	TOTAL INCOME	ACCIDENT & HEALTH PREMIUM INCOME	LIFE INSURANCE IN FORCE
1925	\$2,740,473	\$3,480,499	\$2,549,314	\$24,784,962
1935	7,326,748	5,930,249	4,187,064	78,651,011
1945	31,993,339	18,217,694	12,562,539	261,627,076

1945 Facts

Ratio of Assets to Liabilities.....	128.62%
Gain in Assets.....	15.67%
Gain in Total Income.....	15.31%
Gain in Accident & Health Premium Income..	13.65%
Gain in Life Insurance in Force.....	16.15%
Surplus to Protect Policyholders Increased...	18.61%

726 BENEFIT PAYMENTS EACH WORKING DAY!

Our
59th
Year

PROVIDENT
LIFE AND ACCIDENT
INSURANCE COMPANY
Since 1887

CHATTANOOGA 2, TENNESSEE

Our
59th
Year

Stevenson Finds Reasons for Sales Upsurge

The phenomenal upsurge which life insurance is experiencing is clearly a vote of public confidence in life insurance and in the agents, John A. Stevenson, president of Penn Mutual Life, declared in addressing the Penn Mutual trustees.

Purchasing Power Backlog

"Many reasons are given for the fact that the public's judgment on life insurance is today being expressed in the tangible terms of increased business," Mr. Stevenson said. "Attempted explanations usually trace the causes to present-day economic conditions. But greatly as the value of life insurance is appreciated, we don't find 'nylon lines' of customers in front of our building waiting to buy policies. Good as life insurance is, it still can't be sold across the counter. This year's extraordinary endorsement of life insurance would not be possible if the life underwriters were not alert to the fact that the times are propitious for life insurance selling, capable of taking advantage of today's opportunities through high-grade service

and willing to put in plenty of hard work in capitalizing on the 1946 economic situation.

"The war program created a huge backlog of purchasing power. Returning veterans who purchased National Service Life Insurance . . . have had their sights raised as to what constitutes adequate life insurance protection. There are many other factors which enter into today's picture. Returning veterans among our field forces are writing a substantial portion of today's business. There have been wage increases among so-called 'white collar' as well as among other types of workers. Tax reductions have resulted in more 'take home pay.' Low interest yields on high-grade securities may be a contributing factor and the record of life insurance for security cannot be overlooked in these uncertain times.

"An explanation advanced by some of our representatives deserves special consideration. The wives of many servicemen during the war, they point out, have been living on monthly allotment checks and smaller budgets. With their husbands exposed to the dangers of war they began to think of insurance in terms of monthly income needs. As a matter of fact, a survey made by Penn Mutual on sources of new business show that there are a lot of veterans with relatively small incomes who are buying

substantial amounts of insurance to increase the monthly income their \$10,000 of NSLI would provide.

"Roughly speaking, the life insurance in force in this country doubled every decade from 1880 to 1930. From 1930 to 1940 the increase was relatively small. At the present rate of growth, I should not be surprised if the 1940 total were doubled by 1950.

"We've all seen reports showing that even the obvious advantages of NSLI to men going overseas were by no means always enough to persuade them to take it 'on their own.' An abundance of ready cash doesn't sell life insurance. An increased appreciation of life insurance does not make sales. People must be stimulated to buy life insurance and this is the job our agency forces have done."

Personalities at N.A.L.U. Mid-Year Gathering

Lee Wandling, Equitable Society manager at Omaha, has the distinction of being the only man that has served as local chairman of two N. A. L. U. conventions. He gave a repeat performance at Omaha. His first experience was at the mid-year meeting a few years ago at Wichita when he was stationed there. Mr. Wandling had the situation under control at all times and managed to enjoy himself to boot. He never was seen with that harassed and hurried look that is so often seen on the faces of those with responsibility for shepherding several hundred conventioners.

Attending the Omaha convention as guest of his company-California-Western States Life—was Carl Madsen of Worland, Wyo. He was in tow of Grant Taggart of the same company at Cowley, Wyo., and a former N. A. L. U. president. Mr. Taggart inducted Mr. Madsen into the business several years ago and he introduced him with much pride to his friends of the convention. Mr. Madsen last month produced \$146,000.

B. N. Woodson, executive vice-president of Commonwealth Life and Omaha sales congress speaker, was on home ground at Omaha and he had an opportunity to have a reunion with his mother there. He started in life insurance with the old Bankers Reserve Life of Omaha, having been inducted by R. E. Irish, now president of Union Mutual Life.

The "highfalutin" committees of the N. A. L. U. gave the Omaha hotel aids that fix up the board slating the day's events much trouble. The best the boy at the Fontenelle could do with the law and legislation committee was "law and legislation" while his counterpart at the Paxton set down the integration committee as "integration."

Judd Benson, Union Central, Cincinnati, went on to Topeka to visit his father, who is in his eighties. He was to have gone from there to Washington to testify Wednesday before the House ways and means committee on social security, but a wire arrived at Omaha canceling that appearance.

One of the most important assignments from the local standpoint was that of the committee on arrangements and its chairman, E. L. Smith, who is manager of National Life & Accident, was highly complimented on the way in which he carried off his duties.

H. A. H. Baker, assistant managing director of Great-West Life, was welcomed by his many friends in the organization at Omaha. He just recently got back on the job after having been confined by illness for about seven months.

John H. Selby of the Washington law firm of Baker, Selby & Ravenel was at Omaha and took a prominent part in the discussions at the meeting of the federal law and legislation committee the day before the national council meeting.

Officers of Retirement Plans, Inc.

CLEVELAND—W. H. Schaedel, president of the recently organized Retirement Plans, Inc., was formerly office manager of the F. N. Winkler Agency of Mutual Benefit here. Bruce Gheen, vice-president, is a member of the Million Dollar Round Table and specialist in pension trusts. Richard Keyes, secretary, was formerly administrative executive of the James Drewry agency of Mutual Benefit at Cincinnati.

Name Life Men on Debt Study

A committee composed of prominent men in life insurance, commercial banks, savings banks, business and universities has been formed to study public debt policy and the effect of the debt on common welfare. It will be financed by the Falk Foundation, which has contributed \$100,000 for the study.



J. S. Sinclair

Headquarters will be in the Mutual Life building, New York. The general part of the study will be similar to the tax study published by the Falk Foundation. Reports will consist of pamphlets which will eventually be put into a bound volume. Implication of the debt to prices, to purchasing power of money and savings, its effect on economic incentives and the policy as to interest rates and floating debt and debt retirement, will be given special attention. In addition, relationship of debt and financial institutions such as savings banks, commercial banks, life insurance companies and trust funds will be reviewed by the committee.

Leaders in Project

Among the prominent life men working on the project are John S. Sinclair, executive vice-president New York Life, who is vice-chairman, and Donald B. Woodward, research assistant to the president of Mutual Life, who will be secretary.

Other life men on the committee are Lewis W. Douglas, president Mutual Life and G. Willard Smith, president New England Mutual Life. Sherwin Badger, financial secretary New England Mutual, and S. M. Foster, economic adviser for New York Life, will act as consultants.

Heated Exchanges in R. I. Rate Bill Hearing

A heated hearing took place on rate regulation in Rhode Island before the special joint legislative and executive committee.

President Carleton I. Fisher of the Rhode Island Association of Insurance Agents was the only one to speak in favor of the bill that had been devised by the special committee and that differs sharply from the all industry measure. He assailed company men, saying that they fall into the class either of those who want to do nothing or those who say "include us out." He objected to the request of the accident and health people to be eliminated from the bill.

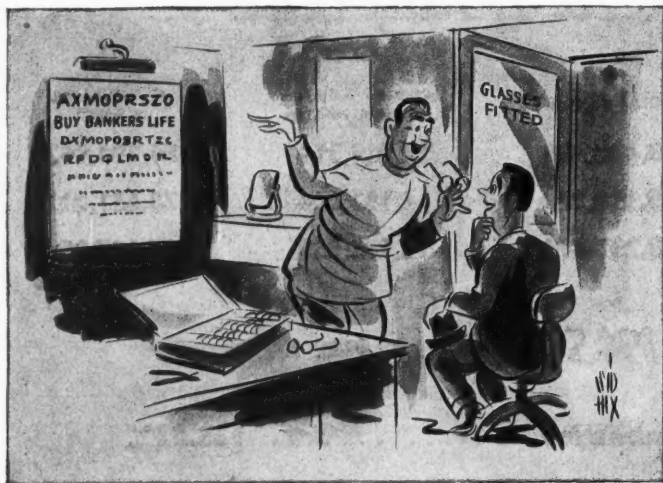
Asks A. & H. Expansion

Frank L. Harrington, vice-president of Massachusetts Protective, argued for exemption of A. & H. from the rate bill. If there is to be any regulation, A. & H. should be covered under a separate bill, he said. The complaints as to A. & H. business do not pertain to rates but rather to limited policies, misrepresentation and rebating, he declared.

Powers declared that 99.9% of the complaints on A. & H. insurance relate to rates.

Mr. Fisher declared it would do no harm to include A. & H. in the bill and if that were done it would guarantee that the A. & H. people would bring in a bill of their own next year.

Albert Pike, Jr., actuary Life Association of America, asked for exemption of group A. & H. rates. Powers asked him whether the Rhode Island cash sickness compensation law had affected group business. "It has put us out of the group indemnity business here," Mr. Pike declared.



"My boy talked me into putting that second line in—he's in the insurance business!"

Bankerslifemen Recognize Opportunity

There is no record of a Bankerslifemen having gone quite as far as the picture above indicates . . . but every one of them is trained to recognize opportunity—wherever it exists. Furthermore, their training has shown them how to use opportunity to serve their clientele well and faithfully. The well-rounded training which teaches a high order of service as well as intelligent prospecting results in helping Bankerslifemen keep in good balance.

Success stems from this kind of balance . . . makes Bankerslifemen the sort of insurance underwriters you like to meet as friends, fellow workers, or competitors. That's why, throughout our company, we enjoy our share in helping all Bankerslifemen keep in good balance.

BANKERS Life COMPANY
DES MOINES

Maclellan Receives Legion of Merit



The legion of merit decoration has been presented to Lt.-Col. Robert L. Maclellan, vice-president of Provident Life & Accident, for "notably outstanding service" with the government insurance allotment division of the army during the war.

The presentation at the home office of the company was made by Brig.-Gen. Remi P. Hueper, assistant chief of finance, after the citation had been read by Lt.-Col. H. M. Burnett, who went to

Chattanooga from Washington for the presentation.

Many relatives, business associates, friends and other army officials were present.

Col. Maclellan served as officer in charge of the insurance branch, examination division, office of chief of finance, from April, 1942, to August, 1944, and as chief of the government insurance allotment division from that time until October, 1945.

Scheuer Is Awarded State Mutual Cup

Lee B. Scheuer, general agent in Cincinnati for State Mutual was surprised at the dinner to general agents preceding State Mutual annual meeting day, when President George Avery White presented him the highest State Mutual honor that an agent can earn, the President's Cup.

The President's Cup for outstanding agency achievement is awarded annually in February, based on the previous year's results. The Jeff Gros agency in Memphis won it for 1944.

Various factors are considered such as paid business, increase of insurance in force, persistency, voluntary terminations and average production per full time agent. In line with the company's policy, considerable emphasis was placed on the new organization factor.

Runner up for the award was the Benjamin W. Ayres agency of Worcester, the Nothhelfer & Leck agency of Chicago placing third.

Explosion Impresses Prospect

An explosion in a sewer in Los Angeles recently resulted in the immediate sale of a \$15,000 policy by Leland F. Dempsey of Penn Mutual.

Mr. Dempsey was attempting to explain the operation of the double indemnity provision to a prospect when the explosion occurred and both Mr. Dempsey and the prospect were hurled to the ground.

The prospect signed on the spot.

Plans of New Denver Company Are Outlined

V. L. Tickner, president of Great Eastern Mutual Life of Denver in process of organization, reports that as of March 16 subscriptions for stock totaled \$84,500 on which there has been \$60,200 paid in. There are 52 subscribers for an average of \$1500. Most of the stock is being sold to wheat and cattle men in eastern Colorado who are friends of the presidents of the banks at Huga, Kit Carson, Eads and Walsh, Colo.

This company, it is proposed, shall take over an assessment A.&H. and assessment life company, also named Great Eastern. Mr. Tickner states that the new venture is not promotional and that taking over the two companies will provide enough premium income and profit to take care of overhead expense.

There are no commissions or expenses being paid out of the amount paid in by subscribers.

In December the United States National Bank loaned the organization the necessary amount to buy \$100,000 U. S. Treasury 2½s of 1959/62. Subsequently, they loaned the amount necessary to buy \$100,000 U. S. Treasury 2½s 1967/72.

The other officers are: John G. Reid, first vice-president and general counsel; Paul J. Connor, vice-president and medical director; D. E. Bone, vice-president, and E. D. Gothman, secretary.

You get sales ideas from the top-notchers, in the A. & H. Bulletins. Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

CANADA LIFE'S 99TH YEAR

*At December 31st, 1945
Canada Life Policyholders...*

... Had increased their life insurance in this Company to \$920 MILLIONS

... In addition they owned Canada Life Retirement Income Bonds guaranteeing maturity benefits of \$89 MILLIONS

... Also they had Canada Life Annuities of other kinds in force with a reserve value of \$32 MILLIONS

Their 1945 new purchases of Canada Life insurance, including revivals and additions, totalled \$91 MILLIONS

Assets of the Canada Life in the United States, at Dec. 31, 1945 totalled \$81 millions; liabilities \$78 millions. The Company's total assets were \$345 millions; liabilities \$326 millions.

IN THE UNITED STATES — "Canada Life" business is self-contained . . . is supervised by various State Insurance Departments and so, in effect, is a UNITED STATES COMPANY!

The U. S. policies of the Canada Life and the assets securing them are payable in U. S. currency.

For the sole protection of its U. S. policyholders, all such assets are deposited in the United States with State Insurance Departments or Trustees. They are also under the control of these State Departments, including New York.

*More than Fifty Years Service
to United States Policyholders*

THE CANADA LIFE
Assurance Company

HEAD OFFICE — TORONTO, CANADA

EDITORIAL COMMENT

Great Contribution to Mankind

One of the most far reaching and greatest contributions that life insurance has been able to make to mankind is the constructive explorations of the medical research committee headed by President Linton of Provident Mutual Life and sponsored by Life Insurance Association of America and American Life Convention. The men on the committee and those that will conduct the research realize that there is much to do and many paths to travel. The fact that men of renown in their various and particular lines constitute the committee gives it the greatest prestige.

We all realize the ravages that cardiac troubles bring to mankind. The research people, therefore, are tackling that subject first. The mortality from

heart afflictions is increasing. If the researchers can discover some remedy and course to pursue that will lessen the mortality from cardiac diseases it will be one of the greatest achievements that have been made in the field of disease prevention and cure.

We have here an example of what can be accomplished in peace times through intelligent channels. These researchers are not endeavoring to find something that will be more destructive than anything we have known but they are endeavoring to discover some means of prolonging life, not to destroy it. There is vast work to be done but the sponsors of this great project have high hopes of accomplishing something that will be of decided benefit to all mankind.

Social Security Act as Basis

Many life insurance producers are using the social security act as the basis of their approach to prospects. Often this is found to be very natural and an appropriate way to bring life insurance to the attention of prospects. A prospect may carry a certain amount of life insurance but how does it dovetail with social security?

Naturally all people are curious about how the social security act affects them. Life insurance men naturally should be authorities and experts on this act. They should know on the instant how to answer any question regarding the act in so far as its benefits are concerned. Then

when the benefits are presented to the prospect there can be a more appropriate approach in the way of building on social security as a foundation.

Many agents will acknowledge that the social security act has been an excellent springboard for them.

The social security act has popularized retirement income, death benefits and the like. There are many useful devices sold which illustrate the course of the social security act. They give people a very good idea of what benefits they will receive. Using this information as an approach an agent has the way open to him.

Training-on-the-Job Problems

The training-on-the-job program under the GI bill threatens to cause some uneven situations, and perhaps some invidious comparisons at tax paying time. That is, employers that have either decided against trying to get a plan certified or that have gotten a turn down or that have simply let the matter slide can be expected to show resentment when they come to a realization that they are being taxed to pay the cost of training employees of other establishments. Already here and there a man is heard to express indignation because of what he regards as a competitor's misuse of the program, for instance holding some sort of a shallow sales meeting to conform in appearance with what was shown in the outline that was filed.

Some employers feel constrained to try to become qualified in order to do as well for the veterans in their employ

as veterans elsewhere are doing. By and large the veterans themselves seem to look upon the whole thing as somewhat incredible. Their attitude seems to be comparable to that of the average farmer who got paid for not planting corn. He banked his government check with a shudder of disapproval.

Naturally a veteran who isn't getting a share of this money is going to be jealous of those who are and his employer will be under pressure. Employers with an approved plan will enjoy an advantage in bidding for the services of the men they want.

Since the state vocational department is the agency that investigates the plan, the situation will vary from state to state and on this score experiences are already being traded and comparisons made.

Apparently it is easier to get plans approved in some states than in others

and that can lead to jealousies.

The certifying agencies seem to attach a great deal of weight to the form of the application. They insist upon a minute outline of the training with captions and subcaptions and all the neat classifications that government bureaus live by. Such requirements, of course, will cool off many an employer without a bona fide program and that is simply giving the thing a test but it can also play into the hands of skilful manipu-

lators of government forms who know how to bring out all the props.

For a time at least the veterans administration was soliciting industry to set up plans and get qualified and employers were advised that the procedure was simple. Lately, however, we get the impression that the government is frightened at the interest that has been engendered in the program and is seeking to apply the brakes.

There are, we fear, headaches in store.

PERSONAL SIDE OF THE BUSINESS

John K. Rickard, production star of the R. B. Daniel agency of Northwestern National Life at Hutchinson, Kan., was second in volume and top premium leader for the entire company in 1945 and qualified the second time for Million Dollar Round Table.

C. R. Howell, one of the leading life agents of Trenton, N. J., and an assemblyman, has announced his candidacy for Congress on the Democratic ticket. He is past president Trenton Life Underwriters Association.

Arthur K. Underwood has been named director in insurance service, veterans administration branch 13, responsible for administration of VA insurance in Colorado, Utah, Wyoming and New Mexico. For 10 years he has been general agent in Denver for Lincoln National Life. He is past president of the Denver C. L. U. chapter, the Life Agency Managers Association and Colorado Association of Life Underwriters.

R. M. Ryan, dean of Detroit's life general agents and managers, this week celebrated his 36th anniversary as agency manager of Equitable Society. He became manager in Lansing in 1910 and took over the Detroit agency two years later. Under his leadership, the Detroit agency has placed close to \$400 million of business on the books during this period. Many years ago he served as president of the Associated Life General Agents & Managers and of the Detroit Life Underwriters Association, and for many years was legislative chairman of the Michigan association.

F. H. Peterson, Sioux City, Ia., manager of Bankers Life of Des Moines, was host to 30 agents and their wives at a meeting honoring **J. D. Walsh**, who observed his 30th anniversary with the company. The occasion also was Mr. Peterson's 20th year with Bankers. Home office officials attending included George A. Harper, assistant superintendent of agencies, and Dr. George McCreight, assistant medical director.

Calvin L. Pontius, vice-president and manager of agencies of Fidelity Mutual Life, was married March 16 to Miss Hallie Morris of Philadelphia, in St. Asaph's Church of Bala-Cynwyd, Pa. After a motor trip to Southern Pines, they will make their home at the Kenilworth in Philadelphia.

Mansur B. Oakes, founder of the Taylor Publishing Co., and educational director of the National Association of Accident & Health Underwriters, who conducts the accident and health insurance sales courses at Purdue University,

was stricken last week, while teaching the class at Purdue. He was rushed to St. Elizabeth Hospital at Lafayette, Ind., where he underwent a gall bladder and appendix operation. Because of his extremely good physical condition, he underwent the operation successfully and is on the road to recovery.

Herman Lasker, district agent of Mutual Life at Eau Claire, Wis., a million dollar producer, and his wife observed their 25th wedding anniversary. Present for the celebration was their son, Sgt. Richard Lasker, army air force, who was home on furlough from his station at Orlando, Fla.

A. B. Olson, vice-president and agency manager of Guarantee Mutual Life, has been enjoying a vacation by motor to Florida and through the southwest. He is expected back at Omaha March 25.

J. Frank Trotter, Mutual Life manager at Kansas City, was able to take in the Omaha N.A.L.U. meeting, although he just recently underwent a gall bladderectomy.

Seth B. Thompson, Oregon insurance commissioner, for a second time has become a grandfather with the birth of a baby girl in the family of his son, David M. Thompson, naval lieutenant who has just returned from service in the Pacific area and gone on inactive status. The child was born at San Diego where Lt. Thompson was mustered out, but he and his family now are living in San Francisco. Commissioner Thompson after addressing the Fire Underwriters Association of the Pacific and then taking a look at his new grandchild at San Diego was in Chicago this week where he gave another talk. He attended the all-industry committee session at French Lick, Ind., then returned to San Francisco to spend a few more days admiring his grandchild and visiting with his son before returning to his home state.

DEATHS

John C. Bardwell, 69, St. Louis agent and broker, died there after a 10-day illness from a heart condition. He began in insurance about 1913 when he organized and was attorney-in-fact and general manager of Wholesale Grocers Reciprocal Exchange. In 1917 he organized and was named president of Liberty Fire of St. Louis. Mr. Bardwell in 1925 retired to enter the general insurance agency field in St. Louis. In 1926 and 1927 he also was vice-president of the old First National Life, which

THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York.

EDITORIAL DEPT.: C. M. Cartwright, Editor. Levering Cartwright, Managing Editor. News Editor: F. A. Post. Associate Editors: D. R. Schilling, J. C. O'Connor. Assistant Editors: Richard J. Thain, John C. Burridge.

PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO 4, ILL. Telephone Wabash 2704.

BUSINESS DEPT.: Howard J. Burridge, President. Louis H. Martin, Vice-President and Secretary. John Z. Herschede, Treasurer.

BRANCH OFFICES IN KEY CITIES

ATLANTA 3, GA.—560 Trust Co. of Ga. Bldg., Tel. Walnut 5867. Ernest E. Hess, Southeastern Manager.

BOSTON 16, MASS.—80 Boylston St.—Room 1227, Tel. Hubbard 8696. William A. Scanlon, Vice-President.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, Associate Manager. L. N. Yellowlees, Advertising Manager.

CINCINNATI 2, OHIO—420 E. Fourth St.

Tel. Parkway 2140. Abner Thorp, Jr., Vice-President. George C. Roeding, Associate Manager. George E. Wohlgenuth, News Editor.

DALLAS 1, TEXAS—802 Wilson Bldg., Tel. Central 5833. Fred B. Humphrey, Southwestern Manager.

DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

DETROIT 26, MICH.—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards,

Resident Manager.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Gessing, Resident Manager.

MINNEAPOLIS 2, MINN.—503 Northwestern Bank Bldg., Tel. Bridgeport 7833. R. W. Landstrom, Resident Manager.

NEW YORK 7, N. Y.—99 John St., Room 1103, Tel. Beekman 3-3958. Editorial Dept.—R. B. Mitchell, Eastern Editor; Kenneth O. Force,

Associate Editor. Business Dept.—Ralph E. Richman, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO 4, CAL.—507-S-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Pacific Coast Manager. Guy C. Macdonald, Pacific Coast Editor.



in 1931 was reinsured by Mississippi Valley Life.

Mr. Bardwell in 1930 went to Chicago in connection with consolidation of several insurance companies and in 1932 returned to St. Louis and resumed his general agency and brokerage business. He was joined by a son, John E. and both concentrated on life insurance selling with Reliance Life. A year ago J. C. Bardwell retired and moved to California, from which he returned only recently.

John Story Jenks, 70, Penn Mutual trustee since 1909 and of the present board the second oldest member in length of service, died at his home at Chestnut Hill, Pa. He served as financial adviser to many corporations.

Miss Katherine M. O'Leary, who joined the Massachusetts department as an auditor in 1907, was made chief examiner in 1922 and has held that position ever since, died at a Boston hospital following several weeks' illness. At the time of her appointment as chief examiner she was the only woman in the country holding a similar position. She gained a national reputation for the efficient handling of her duties and her insurance knowledge.

Charles L. Christie, 54, district manager at Lafayette, Ind., for Western & Southern Life since 1939, died. He joined the company in 1917 and formerly was superintendent of the Indianapolis district.

Harold R. Hitt, 54, general agent of Mutual Trust Life at Chillicothe, O., died in a hospital in Dayton. He was in the insurance business at Jackson before going to Chillicothe.

Charles T. Austin, 83, agent of Mutual Benefit Life for more than 50 years, died in Denver after a brief illness. He had remained active in business to the time of his illness.

S. Royce Braman, assistant auditor of Aetna Life, died at his home in Windsor, Conn., after a long illness. He joined Aetna Life in 1900 as a clerk in the auditing department and was elected assistant auditor in 1919.

Orrin S. Spencer, 51, Massachusetts Mutual general agent at Hartford since 1934, died there after an illness of many months. He entered life business in 1915 with Travelers in Hartford. In 1918 he enlisted in the army and was commissioned a second lieutenant. On his return to civil life he was made assistant state manager of Travelers, with headquarters in New Haven. In 1921 he joined Connecticut General and three years later, in partnership with John B. Wallace, became general agent at New Haven. In 1934 he returned to Hartford as general agent for Massachusetts Mutual.

Harry Mehlman, 36, fell down a stairwell to his death in the internal revenue building in Washington. He was an actuary attached to the staff of B. J. Harrill, chief of the bureau's pension trust building division. Mr. Mehlman formerly was with Colorado Life, now Security Life & Accident. His brother, Charles Mehlman, is vice-president and actuary of that company. He entered government service in the 1930's during the TNEC investigation. He transferred to the Social Security Board OASI bureau about 1940, worked with it in Baltimore and in 1944 joined its actuarial staff under W. R. Williamson. Last January he transferred to the internal revenue bureau.

Anvey E. Baker, 63, for many years a leading agent in Indianapolis for Northwestern Mutual Life, died in his office there Monday. He recently received a 30-year service button. He was a civic leader and was cited by the Community Fund for activities in welfare work. He had lived in Indianapolis 35 years.

U. S. Life Issues Brokerage Kit

United States Life has issued a unique brokerage kit for distribution to brokers through its agencies. In addition to utilitarian uses for money, personal papers, cards, etc., it contains rate material on the company's various forms.

Free Enterprise Is Subject of White at Seattle Meeting

SEATTLE—Life insurance men, as a group, are better representatives of free enterprise than probably any other group and should be its ablest exponents, George Avery White, president of State Mutual Life, told the Seattle Life Underwriters Association Monday. The meeting was attended by Seattle Life Managers, who canceled their Monday session.

Insurance men, Mr. White pointed out, are free agents whose opportunities are limited only by their capabilities and willingness to work. As such, they are even better advocates of the system than bankers and have an even wider contact with the people.

As the future of life insurance is linked inextricably with free enterprise, it is in the best interests of the agent for him to oppose government encroachment with all his ability.

Feeds on Itself

"Government feeds on itself," Mr. White declared, the establishment of one bureau leading inevitably to the establishment of another. He gave as an example the SEC, which was needed to curb certain abuses but which went so far as to discourage the investment of capital in new businesses. As a result, the government had to found the RFC to pump new money into industry. Many RFC loans were made, however, to inefficient businesses which not only failed but pulled sounder, competing firms down with them.

The TVA was held up as another example. Although the sole constitutional authority for TVA was in flood control, it has expanded to such a degree as even to determine the type of shingles which should be used on houses in the area of the project.

Mr. White declared that progress comes from the exertions of relatively few people—such men as Edison and Ford. These men, he pointed out, did not come from the ranks of civil service but were driven to their deeds of inventiveness by the hope of great financial reward. Many try, but few succeed, and it is only right that those few should receive proportionate rewards for their "utmost effort," White said.

"Those who believe in government control seem to operate on the theory that a .400 hitter is worth only twice as much as a .200 hitter," he declared, "while we know that the difference in value, because it may mean the difference between the championship and the 'cellar,' is immeasurable."

Mr. White contended that present punitive taxes and other restrictions operate against the "utmost exertion" which is necessary for great achievement. He also opposed government control because a government can be composed only of men and women and he believes the type of persons attracted to such work does not begin to compare with the caliber of men in business.

Insurance Crook Believed Active Again in Midwest

Further activities of Jake Max Landau, insurance crook, have been reported to the Ohio department. He is believed to be working in western Ohio defrauding widows on their life policies.

Landau escaped from the state penitentiary at La Grange, Ky., recently. His previous activities had been in Kentucky, Missouri and Ohio.

His system is to call on widows and ask for payment for the purpose of clearing and searching records on non-existent policies.

The Supreme Court denied rehearing in No. 705, Federal National Bank, Shawnee, Okla., vs. New York Life, petition for which was received only a few days ago.

Annuity Premiums Held Taxable to Employees

WASHINGTON—Premiums for the first year paid by a corporation on retirement annuity policies purchased for benefit of certain of its officers, directors and employees constituted taxable income to Paul A. Draper and others, on their appeal from the internal revenue commissioner's finding of income tax deficiencies for 1941, the tax court has decided. Section 22(a), internal revenue code applies, it was held.

On the other hand, the court decided that the amount of premiums tentatively advanced for the second and third years did not represent taxable income to the petitioners in 1941, they being on the cash basis, as those premiums were not irrevocably paid during the taxable year for petitioners' benefit. The court found the advance premiums would have been repaid to the corporation, if, before they became due, the corporation had so requested.

Policies were purchased by Draper & Co., Inc., and delivered to petitioners. They provide for retirement annuities to petitioners commencing at age 65, the men having been in the corporation's service for at least 19 years, in 1941. Tax deficiencies assessed totaled over \$56,000. None of petitioners reported the premiums paid in their behalf.

The policies involved were bought, 21 from John Hancock, six from Columbian National Life, one from Union Central. Application was made to the latter two companies, says the court, because John Hancock preferred not to accept insurance on any one individual in excess of the amount which could be purchased for an annual premium of \$5,000.

Draper & Co. paid the companies in 1941 the first premiums and amounts sufficient, when interest was added, to cover premiums for 1942 and 1943. Total payments were \$31,500 for 1941 and \$60,819 for 1942 and 1943. The cash surrender value of each policy at the end of the first contract year was \$62 per each \$100 premiums paid. Draper & Co. retained the right to approve election of optional provisions contained in the annuities.

After enactment of the revenue act of 1942 the annuity program was terminated and a new pension plan was adopted by Draper. Annuitants failed to pay additional premiums and the policies were automatically converted into fully paid-up annuities of lesser monthly benefits commencing at 65. Cash surrender values allowed totaled \$79,508. Total payments made were \$92,319.

Benson Washington Appearance Is Postponed

WASHINGTON—The House ways and means committee canceled hearings on old-age and survivors insurance scheduled for resumption Monday, in order to make way for Philippine trade legislation. It was indicated the OASI hearings would not be resumed for a week or two, probably until about April 1.

Judd C. Benson, Union Central, Cincinnati, chairman of the N.A.L.U. federal law and legislation committee, was scheduled to appear as a witness Wednesday, but while at the Omaha mid-year meeting he was notified the appearance had been canceled.

Besides Mr. Benson, witnesses scheduled include M. Albert Linton, president Provident Mutual. It is also reported that possibly Reinhard Hohaus, Metropolitan Life, may appear. However, some observers believed he may decide not to do so, as a Metropolitan actuary, Keith Grange, assisted the committee's social security study group in preparing the Calhoun report, basis for the committee hearings.

Meanwhile some 20 or 30 additional witnesses have asked to be heard on OASI. Following that subject the hearings will proceed on public assistance and unemployment compensation.

Scheufler Discusses Public Law 15

Edward L. Scheufler, former Missouri superintendent and past chairman of the executive committee of the National Association of Insurance Commissioners, discussed "The Effect of Public Law No. 15 on the General Insurance Business" at a dinner meeting of the Insurance Agents Association of Kansas City last week.

Present for the meeting were John J. O'Toole, St. Louis, state national director, and George F. King, Columbia, Mo., president of the Missouri association.

Mr. Scheufler summarized his reactions to the law as follows:

That under the law as it now stands, by reason of the SEAU decision and public law 15, insurance commerce is subject to and can at any time be subjected to congressional regulation.

That action in concert by companies in rate making is not violative of anti-trust laws if the state regulates such rate making combination.

That federal anti-trust laws, Federal Trade Commission act, Clayton act, and the Robinson-Patman anti-discrimination act continue to apply to the insurance business after the moratorium "to the extent that such business is not regulated by state law."

That states under their constitutional police power can adequately protect the public and the companies by appropriate rate regulatory laws.

That the generally accepted standard by practically all interested phases of the business and the commissioners is "that the rates shall not be excessive, inadequate, or unfairly discriminatory."

That reasonable flexibility should be maintained.

That supervision of rating bureaus should be exercised without destroying their value or their freedom of lawful and desirable operations.

To allow for increasing expansion of the business and for any new ideas without straitjackets.

Allow companies to operate in concert or individually, as they prefer, for constructive ends.

Enters Emphatic Denial as to Hannegan Rumor

WASHINGTON—George Clifford, assistant to Postmaster General Robert E. Hannegan, denies specifically and emphatically the rumor that his chief will resign to become president of a Missouri life company. The rumor was aired by Nate Gross in a Chicago radio broadcast.

Clifford indicated he hadn't "heard that one" until it was put up to him by THE NATIONAL UNDERWRITER. He checked with his chief and later reported that Hannegan does not contemplate retirement either from the cabinet or as chairman of the Democratic national committee.

As to a possible life company presidency for his chief, Clifford remarked that Hannegan "is a lawyer."

ST LOUIS—While here to attend the funeral services of Archbishop Glenn Postmaster General Hannegan took time out vigorously to deny the numerous and repeated rumors that he is about to resign both as Postmaster General and chairman of the Democratic party to enter upon an important business venture in St. Louis.

Local insurance men and others close to Hannegan have likewise insisted that there is no basis that the Postmaster General is about to quit to head an insurance company in St. Louis but the gossips persist in linking his name with a couple of different companies, basis or no basis.

Sun Life of Canada has declared a dividend of \$3.75 per share, payable April 1 to shareholders of record March 16.

Colonel Tells Supervisors What Veterans Need

Refreshing returning veterans on fundamentals of the life insurance business is not enough; they also must be acquainted with the changes that took place while they were away, Col. Robert H. Weinecke told the Life Agency Supervisors of Chicago at a luncheon meeting. Even a veteran with a long memory will require patient handling. There have been many sharp changes—in tax rates, settlement options, policy forms, market trends, and even occupations and addresses of his old prospects.

Colonel Weinecke spoke on what the supervisors can do to help the veterans readjust themselves to life insurance selling. A former president of the organization, he left in June, 1941, for war service and had a very distinguished record in north Africa, Italy and the Normandy campaign in supplying airborne troops.

He stressed that supervisors must understand how static a society is the military life. Drills and even battles become dull. The soldier is one of a tight little group, closely regulated and restricted, with little change in his life from day to day. He learns little of what goes on in the world outside.

Separation from that life is like being hatched from a shell, Colonel Weinecke said. The veteran is lonesome even among his friends and family. His vocabulary dries up, so he retires to a corner and listens. He is completely out of touch with society, Colonel Weinecke said, and something definite must be done by those with whom he is associated to put him in touch again.

Program Features for National Blue Cross Rally

The program has been completed for the midyear conference of Blue Cross hospital service plans at the Netherland Plaza hotel, Cincinnati, March 25-27.

The evening of March 25 there will be a public meeting on "Blue Cross and the National Health" with three newspaper editors and publishers being featured.

The next morning there will be a session on "Blue Cross Contracts with the Veterans Administration," featuring W. M. Lichty of Detroit, executive director of the Michigan Blue Cross. There will also be a session on "Pending Federal Legislation" presided over by E. A. van Steenwyk, executive director Philadelphia Blue Cross. At noon that day there will be a luncheon and an afternoon session on "Blue Cross-Hospital Relations." That evening John W. Bricker, former Ohio governor will speak on "Voluntary Activity and the People's Health."

The final morning, M. H. Coleman, Jr., of Richmond, executive director of the Blue Cross, will talk on "Blue Cross-Medical Plan Relations," and Thomas A. Hendricks, secretary council on medical service and public relations of American Medical Association, will speak on the A.M.A. program and its relationship to Blue Cross.

John Hancock Refresher Course

The first refresher course for agents returned from service has been completed at the home office of John Hancock. A total of 22 agents attended.

The course is open to all agents who were under contract prior to service. Groups are limited to 25 and the course lasts a week. Clyde F. Gay, second vice-president, assisted by R. R. Massey, manager of general agencies; Ferrel M. Bean, superintendent of agencies; E. R. Joos, supervisor of field sales; Raymond Deston, supervisor of field sales and Allen S. Kline, supervisor of field service, are in charge.

Roy Ray Roberts, State Mutual Life, Los Angeles, led all the agents of the company in personal production for February, and held second place for the year up to March 1.

Remove Complication from Guertin Law in Va.

RICHMOND—The Virginia legislature has passed a bill to amend the Guertin law to remove the necessity of inserting in the policy an actuarial explanation of the construction of the non-forfeiture benefits. This is accomplished by inserting the bold face words in the following section:

"A brief and general statement of the method to be used in calculating the cash surrender value and the paid-up non-forfeiture benefits available under the policy on any policy anniversary beyond the last anniversary for which such values and benefits are consecutively shown in the policy, with an explanation of the manner in which the cash surrender values and the paid-up non-forfeiture benefits are altered by the existence of any paid-up additions credited to the policy or any indebtedness to the company on the policy."

Earls Is West Point Speaker

William T. Earls, Cincinnati general agent of Connecticut Mutual Life and recently a navy lieutenant, spoke at West Point on navy department methods used in assisting officers and men in personal finance affairs. He talked to the military academy economics department officers and was chosen as a result of his record in a similar navy department.

Mr. Earls is a member of the Connecticut Mutual field force advisory committee consisting of five general agents.

Voight New World Life Leader

Floyd J. Voight, agency director of New World Life at Madison, Wis., has been made president of the company's President Club for 1946. Mr. Voight had nearly \$500,000 of 1943 business exposed with a persistency of 98% over that time.

Propose Mo. Business Department

JEFFERSON CITY, MO.—The Missouri senate has passed and sent to the house a bill creating the department of business and administration, which would have under its jurisdiction several unrelated divisions, including the insurance department. It would be headed by a director appointed by the governor at a salary of \$5,000 per year. The duties of the director would be limited and he would have no authority to interfere with the functions of the various agencies in his department. They would remain independent so far as their present authority is concerned but could act on advice and suggestions made by the director.

Makes Million Dollar Table

Alden Smith of the E. T. Proctor agency of Northwestern Mutual in Nashville has qualified as a life member of the Million Dollar Round Table. The year before going into military service Mr. Smith qualified and upon his discharge in December, 1944, he qualified again by July 1, 1945. On Feb. 1 of this year he had more than enough to qualify him for life membership.

Maccabees Correction

In the 1945 company statement figures which appeared in the March 1 edition, the amount quoted as surplus to policyholders for the Maccabees was actually the amount of refund disbursed during 1945. The correct surplus to policyholders figure is \$5,279,452.

Charles Schmid, Wayne county, O., agent for Bankers Life of Iowa, celebrated his 25th anniversary in the field and with Bankers Life in February.

A party was conducted by Jerry Ensign, Cleveland agency manager. Vice-president William F. Winterble and E. P. Kern, assistant superintendent of agencies, attended.

U. S. Chamber Insurance Group Eyes S S Topics

WASHINGTON—The U. S. Chamber of Commerce social security committee has scheduled for its meeting March 21 consideration of a report by a subcommittee reviewing and discussing the Calhoun report on social security to the House ways and means committee.

Rollin Clark, Continental Casualty, and Carl Jacobs, Hardware Mutual Casualty, are attending. M. Albert Linton, president Provident Mutual Life, and Reinhard Hohaus, actuary, Metropolitan Life, are members of the committee.

The U. S. Chamber directors, meeting here March 22-23, were expected to be informed of plans for the western hemispheric insurance conference at New York May 14-17.

The annual banquet of the chamber's insurance membership will be held at the Waldorf-Astoria hotel, New York, May 15, during the hemispheric conference.

Vane, Cole to Highway Parley

Robert J. Vane and Graham W. Cole of Metropolitan Life have been announced by the federal works administrator as participants in the President's highway safety conference May 8-10. Mr. Vane has been assigned to the committee on accident records and Mr. Cole to the committee on public information.

Davis and White Advanced

The titles of C. Sumner Davis, who has been editor of publications, and Nelson A. White, who has been advertising manager, have been changed to assistant manager of agencies in Provident Mutual. They will retain major responsibility respectively for publications and advertising.

Correct N. A. Reassurance Figures

There was an error in the figures of North American Reassurance in the March 8 edition showing the results for New York state.

North American Reassurance has \$45,110,800 insurance in force in New York instead of \$45,1080 as shown, and federal income tax paid by that company was \$9,775.

Memphis and Knoxville Rallies

A combination west Tennessee sales congress and annual meeting of the Tennessee Association of Life Underwriters is scheduled for Memphis April 18. The next day there will be a sales congress at Knoxville featuring some of the talent that appears April 18 at Memphis. Speakers include Clifford H. Orr, National Life, Philadelphia, N.A.L.U. trustee; Ernest Cooper, assistant vice-president of Equitable Life of Iowa, and W. Sheffield Owen, ordinary agency director of Industrial Life & Health. Mr. Orr and Mr. Owen will appear both at Knoxville and Memphis.

Charles Clayton, Liberty National, is president of the Memphis association and Clyde R. Welman, National Life, Memphis, is Tennessee state president.

Hugh Kemp Columbus Speaker

Hugh Kemp, manager of Connecticut General Life at Pittsburgh, will address the Life Managers & General Agents Association of Columbus March 25 on "Revitalizing Old Men and Returned Veterans."

New Reliance Life A. & H. Rider

Reliance Life is putting out a new accident and health rider which annuls standard provision 16, permitting cancellation by the company during any term for which premium had been paid.

It stipulates that the policy shall continue to be renewable subject to the consent of the company, so that the policies do not become guaranteed renewable merely by the elimination of the standard cancellation clause.

The rider will apply in all states except Maryland and California.

Col. Munson President of United Services Life

Col. F. Granville Munson, U. S. A., retired, has been elected president of United Service Life, Washington, D. C. Col. Munson entered the army in 1917 after ten years' practice at the New York City bar. He drafted and administered bonus legislation after the first war and was a senior officer in the office of dependency benefits, which administered allotment and allowance legislation in this war. His last assignment, prior to retirement last December, was as organizer and first director of the personal affairs division of the army service forces. He was a government counsel in the trial of the eight saboteurs and has participated in various important civil and military cases for the United States and the Philippine government.

Thomas F. Bourke was elected executive vice-president and treasurer, and O. R. Leverett, formerly secretary, was advanced to vice-president. L. M. Bauman, who has been assistant secretary, was elected secretary. Mr. Leverett and Mr. Bauman have recently returned to the company from active duty in the armed forces.

Plans for A.L.C. Medical Section Meet Announced

The annual meeting of the Medical Section of the American Life Convention will be held at the Homestead, Hot Springs, Va., June 20-22. Dr. J. M. Livingston, medical director of Mutual Life of Canada, is chairman of the section.

There will be single sessions each day, the first being given over to general business, with remarks by the president and general counsel and manager of the American Life Convention and to the address of the chairman of the Medical Section. An extensive symposium on the eye, ear, nose and throat will open at the second session and will continue through the final session the following day.

Pilkington, Payne Promoted by Travelers

James F. Pilkington has been named secretary and Raymond A. Payne accident department secretary of Travelers.

Mr. Pilkington is a graduate of Massachusetts Institute of Technology and joined Travelers in 1927 in the building department. He was subsequently assigned to home office supervision and in 1938 became home office supervisor and in 1943 assistant secretary.

Mr. Payne has been assistant secretary of the accident department since 1940 and joined the company at Springfield, Mass., in 1919. He was trained as a cashier in the Hartford branch and in 1920 was transferred to the home office accident department as an underwriter.

Conn. General Citations

Connecticut General Life has now selected men to receive awards for outstanding accomplishment during 1945: Baltimore, John V. Breisky, manager; Erie, Charles R. Pixler, general agent; Newark, R. Barry Greene, manager; and Philadelphia, Stuart F. Smith, manager.

The Smith agency is named as a leading agency for the ninth time. Last year it paid for \$13½ million of life insurance with more than \$600,000 in new premiums, and 30 men qualified for the honor roll.

The Breisky office won this award for the fifth time. New life premiums increased 22% and new accident 151%.

L. T. Bass Assistant Secretary

Luther T. Bass has been appointed assistant secretary in charge of disability claims and inspections of Jefferson Standard Life. He has been in the claim department since graduating from University of North Carolina in 1927. Lately he has been associate manager.

Sales Ideas and Suggestions

Vast Field in Covering Tax Demands Told by Spindell

The tax situation is creating a vast opportunity for life agents and will continue for many years to do so, Robert F. Spindell of the Spindell-Millett Service, Chicago, declared in a talk on "Using Tax Knowledge to Develop Insurance Sales" in the Saturday sales forum conducted by the Chicago Association of Life Underwriters.

The great increase in estate and business values in the war years and their aftermath have made or will make existing estate plans completely inadequate, he said. Then, too, people have more money to spend and are investing it in life insurance because as yet the things they would like to buy are not available. Thousands of employees who used to buy war bonds now are buying life insurance. The great increase in marriages during the war also is requiring more life insurance to protect the new crop of families.

Great Growth in Values

Mr. Spindell said in the last four or five months particularly he has been astonished to discover the extraordinary growth of values in closely held stock and partnership interests and the insufficiency of protection in the case of death of the principal owners. It is quite likely that by the time existing estate and business insurance plans are brought up to date the agents will have to start doing the job all over again, for during the next few years the value of these and a multitude of new business interests will have become greatly enhanced.

"There is the inflationary factor, of course, with a high price level," he said, "but the principal cause will of course be the huge backlog of good business and the ability to keep 62 cents out of every dollar instead of 14½ cents, now that the excess profits tax has been repealed."

Taxes Multiply Fast

"A prime difficulty for the estate owner, of course, is the progressive character of estate and inheritance taxes. The estate tax on a \$200,000 estate is not twice the \$4,800 tax on a \$100,000 estate; it is 6½ times that tax, or \$31,380. On a \$500,000 estate the estate tax alone is \$16,500. Thus the new increase in value starts in the higher tax bracket, thereby aggravating the problem immensely."

He said every agent working in estate planning where life insurance is sold primarily to raise tax money should develop a new approach for estate owners whose businesses are certain to grow in the next few years. Forward-looking agents are urging principal stockholders in businesses to arrange their estate plans now to provide for the future increase in estate values. By so doing they are cutting their gift taxes to a minimum, making their life insurance much more effective by keeping most of it out of their taxable estate, and a large part of the anticipated appreciation in values never will be taxed in their estates.

Take Time by Forelock

He said this is a case of locking the door before the tax collector enters. If the expected growth does not occur there will be no important loss for it will merely be necessary to readjust the original program, which may very well have created substantial outside values separate and apart from the vicissitudes of the business. But if the plan succeeds an immense saving in estate and income taxes will have been achieved, and most important, he said, the enlarged business

may be passed on intact to the estate owner's family or sold to other stockholders for its fair value, which they will then be able to pay.

Almost all business insurance programs today are grossly inadequate, Mr. Spindell warned. In this fact lies one of the most lucrative and plentiful sources of new business now. If partners or principal stockholders desire to have a partnership or stock purchase plan, which in 19 out of 20 cases they do, they must fund it with life insurance for it is impossible today to accumulate large sums of money after taxes to pay the purchase price, he said.

Problems Now Presented

"But here is the new point: All but a very few of existing plans were predicated on values of pre-war years and now these values are several times—often many times—higher. This of course aggravates the problem for the stockholders, for the larger the sums they have to raise the harder it will be because of their high top income tax bracket, but this is not all—their estate problem is also accentuated by the high values subject to high graduated estate taxes. In short, they are whipsawed between these two sets of high tax rates. Life insurance is the only instrumentality that can solve this problem in the large majority of cases."

Mr. Spindell said there are various types of answers to the objection that stockholders may raise that they do not have enough money left after taxes to buy the amount of life insurance recommended. The first answer, he said, is that this is a capital transaction and should be paid for out of capital; and it is in fact an installment purchase of the business, so there should be no hesitancy about converting liquid securities into these payments. However, if the stockholders do not have the liquid securities they might try to have their salaries increased, for the cost of living is up and demands on corporation executives are heavy and warrant higher compensation.

Expects Some Reduction

Another answer is that A. J. Browning of the U. S. Commerce department only a week ago recommended tax reductions on earned income of business executives as an incentive for them to create higher production, and Congress in this election year may make some reduction for earned income although the administration is not behind this. The belief is general that another 10% reduction in the tax bill may be approved this year.

The stock purchase plan can be devised in many cases, Mr. Spindell said, so the corporation will buy the stock of deceased stockholders and take out life insurance on the stockholders' lives. By paying a few thousand dollars a year out of a substantial surplus account they will not feel it. There are several tricky income tax problems involved in stock purchase plans of this type and they may not be safe if the deceased stockholder owns most of the stock.

Important Recommendation

A further thought on this subject is that since money after income taxes now is so hard to accumulate the stockholders should agree on a lower price for the stock than the actual value. Where large interests are involved a very substantial discount usually is imperative. It offers a compromise of an otherwise

impossible situation, Mr. Spindell said. Otherwise the stockholders will find it impossible to fund the stock purchase.

Where gifts and trusts serve as the vehicle, he said, a tax saving plan superior to all others is a grandfather-grandchild trust or gift program. Under this a wealthy grandfather creates a trust for each grandchild, authorizing a trustee to secure life insurance policies on the beneficiary's parent who, as the grantor's child, presumably now has or in due time will possess a substantial estate. Trustee is authorized to use the trust income, or corpus if necessary, to pay the life insurance premiums. Income and corpus distributions, subject to premium payments, can be the same as in other trusts. Trustee also can buy assets from the estate of the grantor's child.

Benefits That Are Gained

The trust income "taxed at a new low bracket and this alone often affords sufficient reason for creating the trust," Mr. Spindell said. Property is removed from the top estate tax brackets of the grandfather to a lower or medium gift tax bracket. He noted that here as in many other plans the gift tax is by far the cheapest tax to pay.

Property transferred to the trust is not taxed in the estate of the grantor's child, and a second estate tax thus is eliminated. The income is being accumulated in a tax free investment—life insurance—and over a period of years the total saving thus realized would be very substantial. Funds are made available for purchase of assets of grandfather's child, parent of beneficiary, as a means of providing cash for payment of estate taxes on his estate. The insurance proceeds are not taxable in the grandfather's estate, nor in the insured's estate. The full income of the trust becomes available to beneficiary upon his own parent's death, at a time when it is likely to be most needed. The size of the final trust estate for the grandchild usually will be larger than if the funds were accumulated, because of accumulation in a tax free investment or of premature death of the insured.

If the grandfather does not have enough property to create a sufficiently large trust, an effective program can be worked out whereby he makes annual gifts to the grandchildren, which are deposited by the donee's mother, as natural guardian, in the minor donee's bank account, the mother as trustee having power to draw money, and she or the grandfather to take out a life policy on the grandfather's son, father of the donee, to whom the policy will then be assigned. As trustee of the bank account, she will draw out sufficient money to pay the premiums. Since the income in the early years will not be sufficient to pay the premiums, part of the gifts should be in cash, Mr. Spindell said. After a period of years if the annual gifts sufficiently exceed the amount of premiums paid, investments may be made on behalf of the beneficiary to yield income adequate to carry the premium.

To insure working out of such a plan as this it is important to have the grandfather's will provide that part of the income from such testamentary trust as he may establish shall be used to pay premiums on the policies thus taken out on his son's life, otherwise the grandfather's early death may ruin the plan.

There will be a large demand for pension and profit sharing trusts in the future, Mr. Spindell believes. As soon as labor disturbances are out of the way and employers' plants are reconverted and going full steam ahead on postwar production, there will be an increased interest in such plans although perhaps not so prolific or substantial as during

the wartime. He feels pension trusts are here to stay and employers will be forced by their competitors to adopt plans of one type or another.

The majority of employees' trusts today are profit sharing trusts, according to Treasury report, Mr. Spindell said. This was natural due to uncertainty of the period. He feels the profit sharing trust does not do a satisfactory job for the older employees. An ideal plan in many cases is to have a pension trust provide a minimum pension and then supplement it with a profit sharing trust keyed for retirement, and in which the funds are invested in retirement endowment or annuity contracts. The corporation does not have too heavy a fixed liability and in good years will be able to plow a substantial amount into the profit sharing fund to carry the contracts over the years.

"There are today a very large number of profit sharing trusts with money to be invested," he said. "Since these trusts are for the most part directed towards retirement, there is no better means of investing this money than through life insurance. A desirable policy or procedure is to have a portion of the fund in each employee's account, say 5% or 7% of his compensation, invested in an annual premium contract of the type just described. A 15% contribution every two or three years will then be sufficient to pay the premiums indefinitely."

Often an employer does not want or cannot afford to adopt a qualified pension plan but desires to provide a retirement program for key personnel. The company can agree to pay the employee a pension when he retires and an amount to his family in case of his death, and the company then purchases a retirement endowment or retirement annuity to fund this pension when it becomes due, but cannot deliver the policy to the employee or give him any interest in it as the entire value of it then would become taxable to the employee in the year it was delivered to him. Purchase of the insurance therefore is only an investment of corporate surplus. There is difficulty in obtaining insurance companies that will make payments to a corporation in installments or for the lives of specified employees, but some will do so.

Recommends 100% Vesting

Another plan which has become more popular is to create a pension trust in which the employees are selected according to their positions or arbitrarily chosen by directors. The pension formulas and other trust provisions are more or less the same as in standard pension trusts except that the employees' interests in the trust are 100% vested. The company contribution to such a trust is taxable income to the employee.

This plan has the advantage of the regular pension as to deductions by employer but the employee is taxed on the amount of premiums paid on his contract. To offset this the company, now that salary stabilization has been withdrawn, increases the employee's compensations so as to cover the greater part of the increase in income tax. If the employee's interest is 100% vested the income is taxable to him and deductible by the corporation; but if it is less than 100% vested it is not taxable to him until received but the corporation cannot take the deduction for it. Mr. Spindell says employers agree that money spent for such a plan will produce far greater benefits than outright payments to employees, and when the retirement time arrives the company will have the funds to pay the pension; otherwise it would have nothing set aside for this purpose and would have to meet the situation of current payroll.

Critique of Calhoun Report Thought Provoking

One of the nation's outstanding authorities on social security has drawn up a critique of the Calhoun report and social security in general which contains some thought provoking points.

This observer maintains that, by and large, the Calhoun report is a wise one because by postponing integration it emphasizes the need of it and because by ignoring social budgeting for the catastrophic needs of life it lays the ground work for presenting social budgeting. It is a report which shows how unsuitable to a rising wage situation is the type of formula we have adopted for old age and survivors insurance. It brings out the complexities of dealing separately with small portions of our community and points to the simplicity of dealing directly with the community as a unit. It is a report which by its very uncritical quotation of diverse points of view shows the specious elements in many points of view.

Separate Treatment

This observer goes on to say that the Calhoun report treats almost as entirely separate items old age and survivors insurance, public assistance and unemployment compensation. Save for a treatment of invalidity insurance as OASI and medical care as part of public assistance, there is no health insurance discussion in the report. Neither is there any very real concern as to cost, nor does the report stand out in emphasizing the responsibility of individual citizens in meeting their share of the cost entailed by social security.

Among the interesting contrasts in Calhoun's report is the fact that standards for payment of relief seem to be higher than for the payment of insurance, possibly because insurance administrators are more cost-minded. Thus, in examining page four of the report, the rising per capita expenditure for relief goes up faster than for insurance. There is a suggestion of a new high level for insurance, so that it will apparently rise by steps a little more jerkily.

One gathers from the Calhoun report, that the higher the living cost, the more demand for an increased level of payment for idleness. The concern is apparently greater for members of the last generation than for the coming generation, the critique points out. In OASI, children get one-half primary benefit while in public assistance the maxima for federal sharing are \$18 for the first child, \$12 for each subsequent child with no provision for the widowed mother.

Future Costs Overlooked

The observer comments that restraint in viewing costs seems more directed toward current situation than the future, while figures show that by 1980, OASI will deal with 50% of the aged in contrast to the 8% dealt with today. Beneficiaries increase ten-fold in the 35 year period. In the Calhoun report there is a serious suggestion of increasing the federal grant to stimulate a still more rapid rise in total assistance cost.

The report seems to place little emphasis on the importance of interest in the deferred benefit system and the readiness to adopt a "no-pay-no-go" system contrasts with comparable arrangements when those covered have to foot the bill. This has also been brought out as a striking blind spot in the Beveridge report.

The general lack of concern to cost carries all the way through. OASI remains on the "no-pay-no-go" basis. Public assistance is to be helped by more federal subsidy without any apparent conviction that one body of citizens pays all of the tax and that there is no way to get a federal subsidization to wealthy states other than to collect the money from them. Part of this money goes back to them and the rest to the poorer states.

The report indicates that unemploy-

ment compensation has never benefited more than 10 to 15% of the estimated unemployed. With the formula so devised there is a nonchalance in benefit construction which constantly pads the benefits by such devices as using the highest one-quarter and using a number less than 13 to move from a quarter to the weekly wage. Here, employees in only four states make a contribution to the cost. It is implied that by letting the employer pay the cost, he adds it to the price of his product and it does not have to come out of the employee.

The observer comments that it is an interesting paradox that actuaries are consulted on catastrophic benefits which may not need reserves, whereas actuaries are not consulted on unemployment, which clearly does need reserves. There is a marked contrast between the seriousness of catastrophic situations and old age in OASI and the relatively unimportant situation dealt with by unemployment. The catastrophic situations are end-products, because the wage earner has died, has terminated employment for good or is so seriously disabled that he faces years of inability to earn. This method demands furnishing of necessary goods and services from the working population with little chance that the employee in question will be able to contribute toward cost. In unemployment compensation, however, there is every expectation that today's beneficiary will tomorrow be taking up a share of production. This contrast is responsible for the adoption of the deferred benefit system in OASI and the one year term system in unemployment compensation. Very strangely, however, there is more stability possible in currently budgeting for catastrophic situations than in budgeting for the temporary unemployment benefits.

Contrast in Beneficiaries

The chart on page three of the report contrasts the magnitude of assistance beneficiaries and OASI beneficiaries. The former reached the peak in 1942 and has been slowly declining while the latter shows a rise in each successive year. Taking this comparison, in conjunction with the one on page four which shows a rise in per capita assistance benefits with only a 50% subsidy from the federal government, it is interesting to note that the extra weight per beneficiary in assistance is changing the slope of the assistance curve from that of the curve dealing only with the number of beneficiaries.

The critique points out that only in insurance is there any suggestion of really holding down cost or stressing the danger to individuals of too large a compensation for idleness. There is very little echo of the criticisms of unemployment benefits and little recognition that more than from the standpoint of cost there is a need for building up more strongly some tie-in between effectiveness of personal output and personal income. This authority comments that possibly one reason for this silence is the absence of any discussion on temporary disability where such a great mass of accumulative experience shows the awkwardness of high benefits and where virtually every government employee knows the ease with which extremely minor maladies can justify absence from work.

Remaining to be Faced

This report has yet to face seriously the budgeting for three major catastrophic needs, old age, survivorship (orphaned children and widowed mothers) and chronic disability.

The observer comments, "We have yet to face a serious discussion of where the money is coming from, how it is to be rationalized and imposed upon the taxpayers. Instead we have a soft pedaling of costs all the way through; we have little emphasis upon the responsi-



"MR. BROWN TO SEE YOU ABOUT CREATING A COUPLE ESTATES."

bility of the individual citizen and we have every appearance of implying that essentially no one has to suffer to meet this cost cavalcade. In many ways, the strongest contrast of all is in the over-emphasis upon compensation for idleness when we are so desperately in need of work, we lack housing, transportation and services of all kinds. In facing this situation, we have to be more cost-minded; we have to know costs and be prepared to pay them, and we also have to drop the contrast of counting upon the large incomes of the wealthy to meet our expenditures at the same time we try to eliminate these incomes."

Twelve Veterans Attend Mutual Life Conference

Twelve veterans attended a three-day educational conference at the home office of Mutual Life. They were outstanding agents prior to their entry into the armed forces, and the conference offered them an opportunity to become acquainted with present management philosophy and changes.

Company officials present were Alexander E. Patterson, executive vice-president; Roger Hull, vice-president and manager of agencies; Joseph B. Maclean, vice-president and actuary; Leigh Cruess, vice-president and manager of selection; Clifford B. Reeves, assistant to the president; Stanton G. Hale, assistant superintendent of agencies; Ward Phelps, director of training; Albert C. Trussell, director of sales promotion, and Richard B. Thompson, administrative assistant.

Metzger Is Agency Training Director of Equitable, N. Y.

Clarence B. Metzger has been named director of agency training by Equitable Society. Under the supervision of Vice-president Vincent S. Welch he also has been placed in charge of the agency training program for returning veterans and of the objectives of the Equitable's C.L.U. Society.

Previously Mr. Metzger was assistant treasurer since 1940. He started in 1924 as a member of the Woods agency at Pittsburgh and later became superintendent of that agency. In 1936 he was appointed agency manager at Buffalo.

Blanks Committee Sets Meeting for April 27-30

The committee on blanks of the National Association of Insurance Commissioners will meet at the Commodore Hotel at New York April 27-30. Walter A. Robinson, deputy superintendent of Ohio, is chairman.

Thomas J. Cullen, first deputy of the New York department, is seriously ill at his home in Albany as the result of a heart ailment. His condition was very serious Saturday but had improved somewhat by Monday. He has been away from the department for some months because of his illness. He has been in the department for many years and was acting superintendent for nearly eight months in 1943 pending Superintendent Dineen's appointment.

CONVENTION DATES

- April 26, Illinois Association of Life Underwriters, Hotel LaSalle, Chicago.
- April 30-May 2, U. S. Chamber of Commerce, Claridge Hotel, Atlantic City.
- May 9-10, L.O.M.A. spring conference, Hotel Claridge, Atlantic City.
- May 3, Michigan Association of Life Underwriters, Grand Rapids.
- May 5-11, Ins. Federation of Pennsylvania, Bellevue-Stratford, Philadelphia.
- May 14-17, Insurance section U. S. Chamber of Commerce, hemisphere conference, New York.
- May 15-17, Insurance Accounting & Statistical Assn., Baker Hotel, Dallas.
- May 20-22, Health & Accident Underwriters, annual, Netherland Plaza, Cincinnati.
- May 24-25, Virginia Assn. of Life Underwriters, Cavalier Hotel, Virginia Beach.
- May 27-29, Canadian Life Officers Association, Hotel London, London, Ont.
- June 9-13, Insurance Commissioners, Portland, Ore.
- June 17-19, Natl. Assn. A. & H. Underwriters, annual, Cosmopolitan Hotel, Denver.
- Sept. 4-8, Million Dollar Round Table, French Lick, Ind.
- Sept. 9-10, International Claim Assn., Chateau Frontenac, Quebec.
- Sept. 9-13, N.A.L.U. annual convention, Cleveland.
- Sept. 23-25, L.O.M.A. annual, Hotel Schroeder, Milwaukee.
- Oct. 24-26, L.A.A. annual, Edgewater Beach Hotel, Chicago.

Fair Tax Treatment of Annuitants Is Urged

NEW YORK—The unjust and discriminatory federal income taxation on annuities commercially purchased and of annuities of local government employees is an obstacle that must be leveled if the commercial annuity business is to continue to survive, Ralph L. VanName, secretary of the New York City Employees Retirement System, told the New York C.L.U. chapter.

The sale of annuities to individuals has many competitors and enemies, Mr. VanName said. Government retirement plans eliminate from the market most government employees; group retirement and annuity plans for most large employers, however profitable to the negotiators of group sales, erase further huge chunks of the former market for individual annuity sales, and social security, offering untaxed annuities up to \$1,020 to the bulk of the country's population sharply constricts the annuity agent's primary market, by exempting from income tax a product which the agent must sell subject to a full income tax.

While an annuitant's purchase money is being repaid to him, he receives capital previously income-taxed. He should not be taxed again, and on this point even the federal treasury agrees. However, the amount of the employer's purchase money is taxed as it reaches the annuitant whether regarded as deferred compensation or as an outright gift, and the interest on one's own contributions and those of the employer is taxed, that is, the interest on the purchase money.

Does Not Come Out Even

Contributions by individuals and employers and the interest on their contributions usually turn out to be too much or too little, Mr. VanName said. The annuitant who lives precisely as long as an annuitant should live is practically unknown. A vast amount and number of annuity payments are made after the end of assumed expectancy of life, and on these the government continues to collect an income tax at an annual rate of 19% or more.

These further payments, which constitute a substantial part of the annuity payment total, are derived from the forfeitures to the fund by the short-lived. At the outset the short-lived and the long-lived enter an annuity agreement in order to trade their possible short lives and forfeitures against the possible short-lived forfeitures of another to their possibly required long-lived income. This principle continues to be ignored by taxing authorities and even by those who suffer from its neglect.

In years of full employment this 19% tax prospect compels aged workers otherwise ready to retire to continue beyond their best productive years and defers many an opportunity for the younger man ready to step in. In lean years the aged thrifty are forced out of employment on incomes which are then taxed below a decent subsistence point. A woman purchasing an annuity at the age of 60 may not hope to receive back her own purchase money over and above tax if she dies before 100 years of age. If the agent is able to sell annuities in the face of such government hijacking of annuity purchase money, it must be because the prospect does not realize the tax trimming she is in for, he declared.

Equal Treatment

The passing of an estate up to \$60,000 is not taxable under federal law. Even as they rise above \$60,000 estates are taxed at a slowly accelerating once-for-all rate which, unless the estate is huge, is less than the 10% income tax minimum annually levied against small annuities. If an annuity, after expectancy has been reached, must be taxed in respect to its value in excess of \$60,-

000 the government should treat the agent's annuitants not better than but as well as younger folk receiving lump sum inheritance by taxing aged annuitants on their installment inheritances at low, once-for-all inheritance tax rates, but not on high every-year income tax rates.

Mr. VanName wonders if insurance companies in their contracts must be a government medium for ruining thrifty small investors who prefer to or must do their collective financing their own way.

This is an anti-social attitude on the part of the government, Mr. VanName believes. Veterans salaries and pensions are exempt from taxation up to \$1,500, and there are more than 12,000,000 living veterans. The House has passed and the Senate is considering a bill to exempt up to \$1440 a year annuities of government civil employees who retire from service; 700,000 railroad workers are exempted by national law from annuity income taxation up to \$1440 a year, and 60,000 social security workers will have income tax exemption up to \$1020 a year as they reach old age retirement.

Discriminates Against Thrift

This situation represents unfair competition and continuous discrimination year after year against personal thrift unless the thrift is federally sponsored and supervised, Mr. VanName declared.

For just taxation of annuities, there are two natural periods, the period of refund and the period of inheritance, Mr. VanName said. He suggested that the purchase price paid by the annuitant should be divided by the number of years of assumed life expectancy as an annuitant. Then there should be exempted annually (a) the appropriate pro rata part of the purchase price (as now allowed other annuitants); (b) the additional amount by which \$1440 is greater than the part of \$1440 annually purchased by their contributions under a similar computation, or (c) in addition to (a) and alternative to (b) exempt any lesser annual amount by which the current taxable income is less than the maximum income tax in a pre-annuity year (the government has the record); (d) income tax the remainder.

For this period, the suggested method gets away from the computation either at the governmentally assumed rate of 3% or the actual rate.

Period of Inheritance

During the period of inheritance, the individual annuitant should be taxed only on the assumed interest on his diminishing inheritance. Income tax on 3% of the slowly diminishing reserve for his attained age would give the internal revenue department more than a just tax basis. No matter how long the annuitant lives and no matter how much he receives, there will always be an income left to tax from the remainder of the original principal which was inheritance taxed.

So far no government "cut" has been provided from the estate of the short-lived annuitant. This should be an estate or inheritance tax, not an annual income tax. While inherited annuity is payable after assumed expectancy—after annuity income tax ends or should end—the funds to supply the inherited annuity will mostly be available years earlier as deaths of short-lived annuitants occur. It would be better for the federal tax collector, insurance company or retirement system and for the annuitants if the companies and systems were to make an annual tax report of the deaths during the year of all annuitants who receive during life less total annuity than the purchase price plus assumed interest.

Deduct the total annuity payments received by the short-lived annuitant from the sum of the purchase price paid by

(CONTINUED ON PAGE 32)

... FROM OUR NEW STATEMENT:

Assets \$ 185,309,314.71

Gain in Assets 29,544,390.44

Life Insurance
in force 1,397,969,473.00

Gain in Insurance in Force 136,769,503.00

The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**



AMONG COMPANY MEN

Ekdahl Heads New Field Training Unit of Prudential

Field training activities of Prudential's ordinary and industrial agencies, formerly carried on by various units and individuals, have been centered in a new field training department. This will function for both industrial and ordinary agencies, and will be in charge of John F. Ekdahl, assistant secretary, as director of field training.

His assistant directors will be Leroy N. Whitelaw, supervisor, who will handle particularly field training work of ordinary agencies, and J. Donovan Emery, formerly superintendent New Bedford, Mass., district, who now is promoted to supervisor and will handle industrial agencies. Messrs. Ekdahl and Whitelaw are C.L.U.'s.

Changes in Industrial End

Several other changes in the industrial agencies organization were made. John Ferris, assistant secretary, who is a C.L.U., and in charge of the northeastern group, has been transferred and assigned to general duties in connection with supervision of industrial agencies. Charles J. Tiensch, manager of division A and a C.L.U., has been elected assistant secretary in charge of the northeastern group, comprising divisions B, C, and I.

Sherman M. Southard, manager of division F, also has been elected assistant secretary in charge of the southern group of divisions D, K, and N. Wesley R. Stevens and William O. Sutphen, assistant managers of division F and M, respectively, have been promoted to managers of divisions A and F, respectively.

Wright Goes to Boston Mutual

Edmund M. Wright has been appointed superintendent of agencies of Boston Mutual. He has been with John

Hancock as agent, assistant district manager, district supervisor, home office supervisor of field training, regional supervisor and district manager.

He is a graduate of the Research Bureau school in agency management.

Van Horn Named by Cont. American

Paul E. Van Horn has been appointed assistant superintendent of agencies of Continental American Life. He has a background of more than 10 years' successful management experience in life insurance. Following graduation from Sheffield Scientific School of Yale in 1929, he was employed by Fisk Tire Export Co. and Taylor Instrument Companies in Rochester, and in 1935 entered life insurance for Travelers. He remained until 1944, becoming assistant manager at Rochester.



P. E. Van Horn

Then he entered the marine corps as a second lieutenant and during most of his service was stationed at the marine corps air station in Ewa, Oahu, as officer in charge of post exchange activities. Upon discharge in January he was a captain.

He is past president Rochester Association of Life Underwriters and Rochester C.L.U. Chapter.

Good Is Vice-president of Great American Reserve

Russell F. Good has been elected a vice-president in charge of the group and franchise department of Great American

Reserve of Dallas. He formerly was agency secretary of American Hospital & Life of San Antonio.

Mr. Good was a private in the marines in the other war and a captain of marines in the last one. He spent 18 years in sales work in other lines. He entered the insurance business in 1941 as a salesman and after six months became a branch manager.

N. W. Nat'l Advances Wright: Adds Jensen to Staff

George A. Wright has been promoted to the newly-created position of agents' personnel manager and Viggo E. Jensen to the staff of the agency field service of Northwestern National Life.

Mr. Wright, a graduate of Carleton college, has been associated with the company since 1926, first as an agent at Billings, Mont., later as agency supervisor at Sioux City, Ia., and for the past three years as a member of the agency field service.

Mr. Jensen has been in life insurance selling for the past 11 years, all of that time in Chicago. He joined the Albert J. Zern agency in 1940. He was subsequently promoted to brokerage manager in the Chicago branch, in which capacity he served just prior to his entry into the armed forces in February, 1944. He resumed his duties in Chicago last November.

John Hancock Makes 12 Group Department Changes

John Hancock has made 12 appointments and transfers in the group department. Henry G. Wischmeyer, Jr., has been appointed group home office service representative at Milwaukee. Theodore W. Leet has been appointed group home office service representative at Cleveland; Tyler A. Redfield and Burton L. O'Neill have been assigned to the group annuity sales division at the home office; Robert L. Morgan and Robert E. Harding have been appointed home office service representatives at the New England group office and Charles M. Crumbaker has been transferred from Cleveland to become group

service representative for Buffalo and Syracuse.

Christopher American Nat'l Director of Sales Promotion

American National has appointed George Christopher director of sales promotion for the ordinary agency department. Mr. Christopher returned from the army last September to resume his home office and agency duties as field service assistant of Jefferson Standard, with which company he had been associated for 17 years. He resigned that position March 15 to go with American National.



Geo. Christopher

His 3½ year army tour of duty included more than two years in the China-Burma-India Theater, where he earned three battle stars and was awarded the presidential unit citation for distinguished service.

L. S. Norman Guarantee Mutual Assistant Actuary

L. S. Norman, just out of uniform as a navy lieutenant and a pre-war actuary, has joined Guarantee Mutual Life as assistant actuary. He graduated from the University of Michigan actuarial course in 1937 and then was an actuarial assistant of Central Life of Chicago. From 1941-43 he was actuary of Michigan Life. In the navy he was on the staff of the deputy chief of naval operations for air.

Dr. Oberlander Returns to National Life Medical Dept.

Dr. Andrew J. Oberlander, who is on terminal leave from the navy, has resumed his duties at National Life of Vermont home office, as assistant medical director. On his return to this country in February, 1946, Dr. Oberlander held the rank of lieutenant commander in the naval medical corps.

Walker Southland Director

John P. Walker, Jr., vice-president and secretary of Southland Life, was elected a director at the annual meeting, succeeding W. S. Mosher, resigned.

D. C. Williams, a director of Southland, was made a vice-president.

President W. C. McCord reported a gain in insurance in force for 1945 of over \$12 million, making a record of \$219,402,658 in force. Total assets are \$48,927,868.

COMPANIES

American Mutual Life Achieves \$100 Million

American Mutual Life of Des Moines has now crossed the \$100 million mark of insurance in force. This is probably the most significant milestone in the progress of any company and also it is usually the most elusive goal. Management and field are much exhilarated by the achievement.

A 75% gain in February business over the same period last year pushed the business in force to \$100,225,000.

Report Made on North Star

Assets of \$1,407,709 and surplus and contingency reserves of \$211,041 were shown in the report of examination of North Star Life released by the Illinois department.

The report, dated Dec. 31, 1944, stated the ratio of solvency was 114.75%.

CENTRAL LIFE

INSURANCE COMPANY OF ILLINOIS

Chicago 6, Ill.

ALFRED MACARTHUR, PRESIDENT

Founded 1905

January 1, 1946

INSURANCE IN FORCE	\$124,847,957.00
A gain of	\$7,248,000.00
Policy Reserves	23,712,712.16
Additional funds	2,425,747.42
Capital	\$ 500,000.00
Surplus	1,250,000.00
Unrealized Profits	877,974.54
Surplus to Protect Policyholders	2,627,974.53
(Which is over 11% of Policy Reserves)	
Assets	\$28,766,434.11

We are prepared to offer a most liberal and attractive contract for the State of Iowa. A rare opportunity.

During the three-year period covered by the examination, insurance in force decreased \$596,000.

Cal.-Western Shows Big Insurance in Force Gain

O. J. Lacy, president of California-Western States, has announced insurance in force of more than \$316,700,000, an increase in 1945 of \$23,800,000. More than \$2,800,000 was paid to living policyholders and \$2,200,000 to beneficiaries. The company plans to take advantage of two recent legislative acts. Limited investments will be made in certain real property for income purposes. Under

a law authorizing policyholders to place money on deposit for payment of future premiums with the right to withdraw in an emergency, \$1,400,000 has been deposited with the company, Mr. Lacy said.

Pension Plan Revised

Southwestern Life has adopted a revised pension plan for employees. P. P. Butler, president of the First National Bank of Houston, was elected a director. A 25% gain in insurance in force for the first two months of the year, as compared with the same period of 1945, was announced.

former Dorothy Patton, for some time assistant secretary of the Kansas Association of Insurance Agents, was a torpedo bomber on the carrier Essex.

Meyer Assistant Manager

Walter G. Meyer has been named assistant manager of New York Life in Milwaukee. Before entering the navy he was with the company's offices in St. Paul and Eau Claire, Wis.

Sheridan Goes to Columbus

John W. Sheridan has been discharged from the army and appointed field assistant, life department, in Travelers branch office in Columbus, O. Mr. Sheridan served as interpreter working with interned Italian prisoners of war in this country. He held the rank of sergeant.

W. E. Wright, superintendent of the Prudential in Detroit, has been transferred to Flint as superintendent.

Great Northern Life has appointed Roland Flood district agent for Fond du Lac county, Wis., for life, accident and health and hospitalization. He has operated a local agency at Eden, Wis.

Edward Burke, an agent in Metropolitan Life, Belle Isle district in Detroit since

1935, has been named assistant manager of that branch.

NEW YORK

NAME APRIL SEMINAR SPEAKERS

Dr. Marcus Nadler, professor of banking and finance at New York University, and Louis Waldman, labor lawyer, will be two of the speakers at the annual seminar on current economic and social trends, under the sponsorship of the New York chapter of C.L.U. at the Waldorf-Astoria Hotel, New York, April 12. Dr. Nadler will discuss "The Search for Economic Security" and Mr. Waldman, "Labor Today." Floor discussions will follow each of the talks.

VICTORY CAMPAIGN CELEBRATED

"The power of free men and women striving together toward a common objective in a democracy" was the theme of a talk by President George L. Harrison in reviewing war-time accomplishments of New York Life employees and agents at a luncheon for leaders in the company's victory bond campaign.

Special tribute was paid to 41 New York Life men and women who died in the service of their country. There

LIFE AGENCY CHANGES

Loder to Coast; Farrington, Bechtel Philadelphia Team

PHILADELPHIA—The resignation of Paul Loder as general agent at Philadelphia for Provident Mutual Life was announced by President M. Albert Linton at a luncheon Tuesday.

The partnership of E. Milnor Bechtel and Ernest A. Farrington, each of whom has served in the home office as assistant manager of agencies, will succeed Mr. Loder.

Mr. Linton stated that the directors had honored a request by Mr. Loder that he be relieved of his duties as head of the largest and oldest agency in order to open a new agency on the coast. It will be located at Oakland, where he and Mrs. Loder will make their home.

Mr. Loder will be assisted there by his son, Edward R. Loder, who was recently discharged from the navy with the rank of lieutenant commander. He had been a member of his father's agency from 1931 until he entered the navy.

Both Mr. Bechtel and Mr. Farrington are graduates of the business school of University of Pennsylvania. They both entered the agency department of Provident after a year's work in other lines. Both were elected agency assistants in 1932 and assistant managers of agencies in 1941.

Mr. Farrington was recently elected president of the Atlantic Alumni of L.I.A.M.A. Mr. Bechtel had a leave in order to serve as a lieutenant in the navy.

With Company Since 1909

Mr. Loder joined Provident in 1909 as assistant to Vice-president Joseph Ashbrook. Later he was made cashier for a joint premium office, and still later assistant to the manager of the insurance department. In 1916 he became general agent at Chicago and was recalled to Philadelphia in 1921 when he was placed in charge of the home office agency.

Until 1930 the agency was the only Provident Mutual organization in Philadelphia. The agency has more than \$92 million of insurance in force and well over 14,000 policy owners. New business for the first two months is 60% ahead of 1945.

Bankers National Appoints Hodge in San Diego

Jesse M. Hodge, San Diego, has been appointed district manager for San Diego county for Bankers National Life.

Mr. Hodge has spent some 13 years in life business, nine with John Han-

cock and four with Metropolitan. His past experience fits him for work of training and developing agents. Mr. Hodge was a member of the honor club for 1943 and 1944 for Metropolitan, and in 1945 qualified for the quarter million club.

Two Metropolitan Managers Take New Districts

John H. Morrison, formerly manager for Metropolitan at Kingston, N. Y., has been placed in charge of the office in Glens Falls. He succeeds John J. Higgins, who is being transferred to Middletown, N. Y.

Mr. Morrison was an agent employed as a salesman for Connecticut General before joining Metropolitan in 1921 in Glens Falls. He served as assistant manager and was appointed manager at Malone, N. Y., in 1932.

Lexington M. Simpson, formerly manager for Metropolitan at Bristol, Tenn., has been placed in charge of the Meridian, Miss., district office. He succeeds J. F. Vallery, who is being transferred as manager to Fort Smith, Ark.

Mr. Simpson attended Vanderbilt University, joined Metropolitan in 1924 in Nashville, and served as assistant manager in Little Rock, general assistant manager for southern territory and manager at Pine Bluff, Ark., before going to Bristol in 1930.

Henry T. Cook to Join Roderick Pirnie Agency

Roderick Pirnie, Providence general agent of Massachusetts Mutual, has opened a brokerage department under the management of Henry T. Cook.

Mr. Cook is a graduate of Culver military academy and Sales Research Bureau school. After several years experience in selling, he and his brother, Peter P. Cook, established the Cook agency in Providence. They were associated as general agents of Union Mutual.

Mr. Cook will devote part of his time to personal production.

Wright Named Supervisor

Byron L. Hart, general agent for Pacific Mutual Life in Des Moines, has appointed Miltort C. Wright agency supervisor.

N. N. Miller to Franklin in Ala.

Norman N. Miller, formerly with Metropolitan Life, has been appointed assistant state manager of Alabama for Franklin Life with headquarters at Montgomery with W. W. Chamberlin, southeastern division manager.

James O. Miller, formerly assistant manager of western Pennsylvania for Prudential, has been appointed general agent at Erie, Pa., for Franklin.

Beeson to Boulder Agency

Don Beeson, who has been with the Wade Patton & Co. agency at Hutchinson, Kan., since his discharge from the navy, has joined the Hogan agency at Boulder, Colo., to head its life department, representing John Hancock Mutual Life. Beeson, whose wife is the



Paul Loder

THERE'S LIFE IN THE BERKSHIRES

AN ALL-TIME HIGH

1945 HIGHLIGHTS



New Paid Life Insurance INCREASED 27%

1945	\$30,109,086
1944	

Insurance in Force GAINED \$21,006,529

1945	\$273,430,083
1944	

Assets INCREASED \$7,601,418

1945	\$90,605,859
1944	

Policyowners Reserve INCREASED \$5,684,818

1945	\$73,115,540
1944	

Special Reserve and Unassigned Surplus INCREASED \$614,712

1945	\$2,795,010
1944	

All Other Reserves INCREASED \$1,301,887

1945	\$14,695,309
1944	

The above reserves constitute our Liabilities which total \$90,605,859

Complete Statement Available on Request

"Ask any *Berkshire* Associate"

LIFE INSURANCE COMPANY
INCORPORATED 1851

HARRISON L. AMBER, President

PITTSFIELD, MASS.

— 95th ANNIVERSARY YEAR —

were 2,039 employees and agents of the company in the armed forces.

Cited for outstanding achievements in the victory bond campaign were Henry Struthwolf and Edward Clemmons, each of whom was credited with 70,729 individual bond sales.

RECORDS

Home Life—New business in February was 41% ahead of February, 1945, and the best February on record. January and February together were 48% ahead of the same two months last year and 25.9% ahead of the best previous January and February.

National Life—Reports new paid business of \$8,679,255 for February as com-

pared with \$5,672,861 in February, 1945, a gain of \$3,006,394 or 53%. For the first two months the figure is \$15,482,101, compared with \$10,890,220 for the same period in 1945, a gain of 42.17%. Insurance in force continues to climb steadily with a gain of \$12,330,606 since Jan. 1.

Amerleann National—The ordinary department reports \$18,317,479 new business in January and February, an increase of \$7,673,518 over the same period a year ago. The Oklahoma City agency led with \$1,835,247 and Salt Lake City and Galveston agencies were second and third respectively.

Union Mutual Life—Paid business for the first two months showed an increase of 6.04% over the corresponding period a year ago.

Minnesota Mutual—Reports an increase of 82.1% in new examined business in February. A volume of \$9,254,589 was submitted to establish a record in new sales for the third consecutive

month. Paid business increased 75.3% and for the year shows a gain of 62.7%. Group writings were 25.7% greater than in February 1945; year-to-date volume increased 42.8%.

Standard, Oregon—Submitted business in February was the largest in history for any February. The Ben J. Lenoue agency at Spokane won the "Forty Roses" anniversary contest, and received 40 American beauty roses.

Northwestern Mutual Life—February new paid-for business was nearly 24% ahead of the same month in 1945, and the two-month total this year is 27%

above last year. Leading agencies for the month were Victor M. Stamm, Milwaukee; Jamison & Phelps, Chicago; S. L. Youngquist, Columbus; P. T. Allen, Buffalo, and C. L. McMillen, New York City.

Bankers Life of Iowa—Total issued and paid for in February was more than \$8½ million ordinary and \$250,000 group. The ordinary insurance figure was more than 121% over the same month last year.

Life insurance in force reached \$135,000,000, or a gain of nearly \$78,350,000 over a year ago.

LIFE SALES MEETINGS

Wash. National Has New Contract

NEW ORLEANS—A new accident and health policy for professional men only, containing an incontestable clause and providing world-wide air travel coverage was announced by J. F. Ramey, executive vice-president, at the annual field meeting of Washington National. More than 100 agents and general agents attended the four-day gathering. The New Orleans meeting originally was scheduled to be held in 1945, but was postponed at government request because of the then prevailing shortage of travel facilities.

Principal speakers were G. R. Kendall, president; Mr. Ramey, and P. W. Watt, second vice-president, in charge of the group department.

Mr. Kendall announced several changes in company policies, chief of which were the vesting in writing agents of renewal commissions on accident and health policies, immediate elimination of war clauses from life policies, and reduction of rates for juvenile life policies.

The new A. & H. policy is expected by Mr. Ramey materially to increase the company average of more than 1,000 claims paid daily.

Many Group Plans in Force

Mr. Watt, in charge of the group department, reported over 800 teachers associations own insurance in the company, as well as a substantial number of industrial and commercial groups.

The 1944 top field men, who were not announced last year because of postponement of the annual meeting, were named: J. V. Fitzgerald, Iowa; Marion Houston, Missouri; G. C. Martin, California; G. C. Scott, South Dakota, and J. C. Scanda, Montana. The 1945 leaders were: Frank Knight, Massachusetts; Marion Houston, Missouri; George Martin, California; G. C. Scott, South Dakota, and Merrill Pringle, Michigan.

Arrangements for the meeting and entertainment of the field men from 46 states, were made by Herbert Morgan, general agent in New Orleans, and W. T. Hafford, his associate.

Teachenor Heads K. C. Life President's Club; 214 to Go on Mexico Trip

On the basis of 1945 production, 142 members of Kansas City Life's field force qualified for membership in the 1946 President's Club with at least 20 lives and a net-issued and paid-for volume of \$200,000. Officers are: President, Dix Teachenor, Kansas City, leader in volume; Carlos Gilbert, New Mexico, leader in number of sales;



DIX TEACHENOR

vice-president, Joe F. Novo, northern California, leader in premiums, and vice-president, Louis Matusoff, Ohio, leader in average-size sale.

Total production in 1945 on net-issued and paid-for basis of the 142 members was \$44,380,327, which was 53.5% of the company's total production for the year. Average production per member was \$312,538. Nine agents who produced their first business in 1945 qualified.

Members and their wives will go on a "golden jubilee" trip to Mexico City in May. Seventy-two other agents whose 1945 volume was \$150,000 or more, but under \$200,000, also will go on the trip.

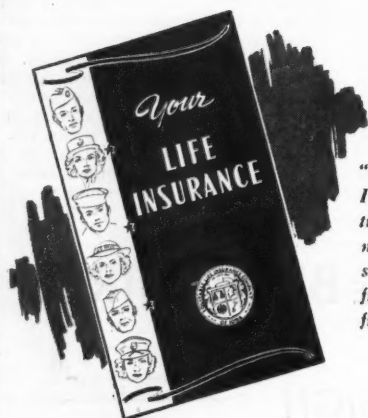
Equitable Field School at Raleigh

Equitable Society has just completed a two-weeks field school at Raleigh for agents in the Raleigh-Roanoke agency under direction of Agency Manager John Pasco. The school was conducted by T. Fred Edmunds, home office instructor. A total of 34 agents attended, including 11 servicemen.

Republic Nat'l Welcomes Agents

Republic National held a two-day agency meeting with agents of former International Travelers whose business has been reinsured.

President Theo. P. Beasley welcomed the agents into the Republic National family. Sessions were conducted by M. Allen Anderson, first vice-president and director of agencies, and George Jordan, who was director of agencies of I. T. and is now vice-president of Republic National.



"The new booklet, *YOUR LIFE INSURANCE*, is just what returning servicemen want and need. Please send me a supply so that I may give copies to friends now being separated from the services."

And so, in substance,

have read numerous letters from our men returning from the armed forces, following their receipt of the Company's new booklet on National Service life insurance.

Information and advice, if sufficient and impartial, is always appreciated. That is why the life underwriter leaving the services, and his friends, regard *Your Life Insurance* so highly. This booklet concerns itself with only one subject: the returning serviceman's life insurance problems. It clearly outlines the benefits of National Service life insurance and urges the serviceman to retain and convert to a permanent plan his government policy, and it tells him how to do that with a minimum of effort.

EQUITABLE LIFE OF IOWA

Founded 1867

Home Office

Des Moines

DALLAS

city of achievement, its prosperity founded on oil, livestock, agriculture, timber, orchards, quarries and mines, its trade area larger than Texas—a place where you and Alliance Life can team to advantage.

B. T. Kemins, Agency Vice-President

**SUPERIOR
REINSURANCE
SERVICE
Life
Substandard
Accident
Disability**

R. E. Button, Reinsurance Secretary

Alliance Life
Insurance Company

Executive office: 750 N. MICHIGAN AVENUE
CHICAGO 11, ILLINOIS

N. W. Mutual General Agents Zone Meeting in Chicago

A zone conference of the General Agents Association of Northwestern Mutual Life is being held at the Edgewater Beach hotel, Chicago, March 21-23. E. A. Crane, Indianapolis general agent, association president, is presiding, and C. R. Eckert, Detroit, is chairman of the program committee. General agents appearing on the program include Ralph Theisen, Denver; Russell Thierbach, Cleveland, and John O. Todd, Chicago.

Home office officials scheduled to address the general agents are M. J. Cleary, president; Edmund Fitzgerald, vice-president; Grant L. Hill, director of agencies; J. M. Lochmes, director of underwriting; Elgin Fassel, actuary; L. J. Evans, Ralph Emerson, Laflin Jones and Ray Dolwick, assistant agency directors; Harold Gardiner, educational director, and John P. McDonald, agency secretary.

15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70

*Fig
C
Age
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
†For
Li
P.
6
Age
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70

NEWS ABOUT LIFE POLICIES

Equitable, N.Y., Scale Changes Shown

Although the new 1946 dividend scale of Equitable Society is on the same base as for 1945, some changes are found in the booklet of illustrative dividends just distributed by the company. In most cases the fifth year extra dividend is slightly higher than last year, except on term policies at higher ages, where it is slightly reduced. The optional deferred annuity underwent premium revision Feb. 1, being on a lower interest base and for that reason the dividends also were revised and are higher.

In the juvenile department an endowment at 18 is new. In the adult department two new contracts are the life paid up at 60 and at 65, and the retirement income at 55, female, also is new.

Fifth year dividends for a number of the more important contracts and also premium rates and dividends for the new forms being issued are:

Fifth Year Dividends

Age	Mod. Two Whole Life	Ord. Life	Pay Life	20 Yr. End.	15 Yr. End.	10 Yr. End.
15	11.58	12.16	13.22	12.05	11.99	11.88
16	11.68	12.26	13.33	12.23	12.21	12.18
17	11.79	12.37	13.44	12.41	12.44	12.48
18	11.91	12.49	13.57	12.60	12.68	12.81
19	12.02	12.61	13.70	12.81	12.92	13.14
20	12.16	12.75	13.83	13.01	13.17	13.49
21	12.30	12.89	13.98	13.22	13.43	13.84
22	12.45	13.04	14.13	13.45	13.70	14.21
23	12.60	13.19	14.28	13.68	13.99	14.60
24	12.74	13.35	14.45	13.91	14.26	14.98
25	12.91	13.53	14.62	14.17	14.57	15.39
26	13.11	13.72	14.80	14.43	14.89	15.83
27	13.29	13.90	14.99	14.69	15.21	16.27
28	13.49	14.11	15.19	14.97	15.55	16.71
29	13.70	14.34	15.41	15.27	15.90	17.19
30	13.94	14.57	15.65	15.58	16.27	17.68
31	14.18	14.81	15.89	15.89	16.64	18.17
32	14.35	15.00	16.07	16.16	16.97	18.65
33	14.55	15.19	16.27	16.43	17.32	19.14
34	14.76	15.42	16.48	16.74	17.70	19.67
35	14.97	15.63	16.69	17.05	18.09	20.05
36	15.14	15.82	16.87	17.33	18.36	20.41
37	15.32	16.02	17.06	17.61	18.64	20.79
38	15.50	16.22	17.26	17.90	18.93	21.19
39	15.68	16.42	17.46	18.19	19.23	21.60
40	15.87	16.62	17.67	18.49	19.54	22.01
41	16.06	16.82	17.88	18.79	19.85	22.43
42	16.26	17.03	18.09	19.09	20.16	22.85
43	16.46	17.24	18.30	19.39	20.47	23.28
44	16.66	17.45	18.51	19.69	20.78	23.71
45	16.87	17.66	18.72	19.99	21.09	24.14
46	17.08	17.87	18.93	20.29	21.40	24.57
47	17.29	18.08	19.14	20.59	21.71	25.00
48	17.50	18.29	19.35	20.89	22.02	25.43
49	17.71	18.50	19.56	21.19	22.33	25.86
50	17.92	18.71	19.77	21.49	22.64	26.29
51	18.13	18.92	19.98	21.79	22.95	26.72
52	18.34	19.13	20.19	22.09	23.26	27.15
53	18.55	19.34	20.40	22.39	23.57	27.58
54	18.76	19.55	20.61	22.69	23.88	28.01
55	18.97	19.76	20.82	22.99	24.19	28.44
56	19.18	19.97	21.03	23.29	24.50	28.87
57	19.39	20.18	21.24	23.59	24.81	29.30
58	19.60	20.39	21.45	23.89	25.12	29.73
59	19.81	20.60	21.66	24.19	25.43	30.16
60	20.02	20.81	21.87	24.49	25.74	30.59
61	20.23	21.02	22.08	24.79	26.05	31.02
62	20.44	21.23	22.29	25.09	26.36	31.45
63	20.65	21.44	22.50	25.39	26.67	31.88
64	20.86	21.65	22.71	25.69	26.98	32.31
65	21.07	21.86	22.92	25.99	27.29	32.74

*Figure omitted in div. booklet.

Age	3% Conv.	Opt. 65	Spl. Prot.	Econ. Adj.	5 Yr. T.	20 Yr. T.
15	13.06	12.14	.....	.....	6.34	6.49
20	13.74	12.77	.....	.....	6.30	6.53
25	14.52	13.61	8.19	7.97	6.29	6.61
30	15.76	14.78	8.69	8.25	6.34	6.86
35	16.76	15.89	8.91	8.68	6.44	7.05
40	16.74	16.19	8.97	8.77	6.50	7.27
45	16.60	16.91	7.02	7.89	6.62	7.46
50	17.19	19.48	5.95	7.59	2.44	7.09
55	18.75	27.44	5.43	7.83	2.38	9.34
60	23.02	.....	.....	.....	4.26	14.34
65	30.54	.....	.....	.....	.....	.....

†For age 54.

Premium Rates

Age	Life P. U.	Life Inc.	Ret. Inc.	Life P. U.	Life Inc.	Ret. Inc.
15	18.66	18.14	38.38	36.50	32.60	104.35
16	19.08	18.52	39.84	37.09	33.87	112.14
17	19.52	18.92	41.39	38.82	35.23	121.02
18	19.98	19.34	42.86	39.40	36.70	129.26
19	20.47	19.79	44.61	40.79	38.28	140.63
20	20.98	20.52	46.49	41.45	39.99	151.30
21	21.53	20.74	48.25	42.62	41.86	165.34
22	22.10	21.25	50.38	43.88	43.88	180.63
23	22.71	21.79	52.67	45.60	46.10	201.44
24	23.36	22.36	55.14	47.16	48.52	227.19

NEWS OF LIFE ASSOCIATIONS

Clifford Orr Speaks at Milwaukee Joint Meeting

Clifford H. Orr, National Life of Vermont, Philadelphia, president of the American Society of Chartered Life Underwriters, spoke in Milwaukee Wednesday at a joint meeting of the Milwaukee Association of Life Underwriters, Milwaukee C.L.U. chapter and Accident & Health Underwriters of Milwaukee, on "Public Acceptance."

President B. W. Reagles announced the Milwaukee association will be host to the Wisconsin association at its annual meeting and sales congress May 23-24. The Wisconsin Quarter Million Dollar Round Table will meet the afternoon of May 23.

L. W. Douglas on Chicago Card

L. W. Douglas, president of Mutual Life, will be one of the star speakers

Your questions answered in the **Fire, Casualty & Surety Bulletin**, Write F. C. & S. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

at the sales congress to be conducted April 27 by the Chicago Association of Life Underwriters. This will be an all-day affair.

Plan to Form Mo. Round Table

March 31 is the closing date for receipt of applications to become charter members of the Missouri Leaders Round Table which is to be launched in May at a special meeting held in conjunction with the annual meeting of the Missouri Association of Life Underwriters in St. Louis. Paid production of at least \$200,000 for 1945 over the 12-month period ending March 31, 1946 is required. Adam Rosenthal, state president, is receiving the applications.

Denver—If Americans do not maintain to some extent the thrift habits encouraged during wartime they will give the green light to dangerous and disastrous inflation, Wallis Bolleau, Jr., second vice-president of Penn Mutual, declared.

"American savings during the war have averaged \$1 out of every \$5 of national income," Mr. Bolleau pointed out. "This means that a backlog of tremendous purchasing power has been built up."

Dividends End Year

Age at Issue	2	3	5	10	15	20
15	6.08	6.32	12.29	7.58	8.21	8.72
20	6.39	6.66	12.94	8.08	8.81	8.98
25	6.79	7.10	13.79	8.74	9.16	8.78
30	7.33	7.69	14.97	9.17	9.06	8.93
35	8.02	8.36	16.05	9.15	9.36	9.42
40	8.11	8.37	16.27	9.62	10.15	11.06
45	8.15	8.61	16.85	10.80	12.46	11.68
50	9.19	9.89	19.29	14.33	11.68	11.92

†On Paid up Basis.

Life Paid Up at 65

Age	2	3	5	10	15	20
15	6.06	6.29	12.24	7.53	8.17	8.68
20	6.35	6.62	12.86	8.02	8.76	8.93
25	6.74	7.04	13.68	8.66	9.08	8.68
30	7.25	7.60	14.79	9.04	8.90	8.72
35	7.88	8.22	15.77	9.82	9.06	9.00
40	7.88	8.11	15.78	9.18	9.53	10.27
45	7.70	8.09	15.85	9.84	11.19	12.69
50	8.10	8.64	16.86	12.02	14.43	11.92
55	9.50	10.53	20.63	16.65	11.92	12.14

†On Paid Up Basis.

Retirement Income 55 (Female)

Age	2	3	5	10	15	20
15	5.95	6.30	11.94	8.01	8.67	8.93
20	6.41	6.82	12.90	8.78	9.48	9.57
25	6.86	7.35	13.81	9.61	10.17	11.40
30	8.07	8.66	16.32	11.09	12.36	15.00
35	9.44	10.11	18.90	12.97	16.53	20.04
40	11.34	12.20	23.18	18.47	23.90	.....
45	16.93	18.59	36.04	31.53	.....	.....

Error in Table Corrected

An error crept into a table in the edition of March 8 summarizing the 1946 action by various companies on dividends and interest payments. New York Life was shown as allowing 2% on dividend accumulations, but it is pointed out by William Macfarlane, vice-president and chief actuary, that the company is crediting dividend accumulations this year with 2½% interest, or the guaranteed rate if higher. The practical effect of this rule, he stated, is that on a large number of policies the interest is being credited at 3% on dividend accumulations.

COAST

Dodge Elected President of S. F. Round Table

SAN FRANCISCO—H. Dodge, Mutual Life, has been elected president of the Quarter Million Round Table of this city. He is a member of the Million Dollar Round Table of the N.A.L.U. and one of Mutual's most consistent producers. He was round table vice-president during the last year and is secretary of the San Francisco Life Underwriters Association.

Other Officers Named

George Hauck, National of Vermont, is the new vice-president, and John Boyd, Connecticut General, is secretary-treasurer. Bernard Jaffe, Penn Mutual, and J. V. Lawry, Northwestern Mutual were elected directors.

The table will hold its annual dinner March 29.

General Agents Go to School

PORTLAND, ORE.—All general agents of Standard Insurance Co. during the last week took the intensive training within-industry course conducted by L. E. Himman, management consultant affiliated with Channing R. Dooley of New York. Standard is one of the first western companies to provide this course, which is part of an expansion program following the change of name from Oregon Mutual Life.



A Nation-wide Company

75 General Agency Offices

actively doing business in all 48 States, Hawaii, and the District of Columbia

Over 100,000 Policyholders

Non-Cancellable Health and Accident
Individual Life insurance
Group and Employee Life insurance

THE **Paul Revere**
LIFE INSURANCE COMPANY
OF WORCESTER, MASSACHUSETTS
J. HARRY WOOD, Executive Vice President

If an uncontrolled spending spree on the part of the public lets loose the floodgates of this pent-up buying power without thrift controls, we will face a hazardous economic future. Insurance is helping to hold the anti-inflation line."

Indianapolis—William Klusmeier of South Bend, editor of the field men's magazine of Western & Southern Life, spoke at a luncheon meeting Thursday on "When They Bring Them Back Home." He was for many years South Bend manager for Western & Southern becoming editor this year.

Beaver Falls, Pa.—Dr. John Coleman of Geneva College will talk on "Econ-

ics and Life Insurance" at the March 25 meeting.

South Bend, Ind.—Wilbur W. Hartsorn, superintendent of agencies of Metropolitan Life, spoke on "Success Formula, Today and Tomorrow."

Greensboro, N. C.—A full story of what the association is doing to preserve N.S.L.I. was run in the Greensboro "Record," local newspaper. The article described the complete steps a veteran would take in being serviced by the veterans' committee under Walter J. Bernstein.

Nebraska Panhandle—Reports of speeches by C. D. Connell and other leaders at the meeting of the Colorado association in Denver, were given by four members of the local association who attended.

Plans were laid for a ladies' night for the near future. A general discussion of veterans' insurance was featured.

Portland—George Avery White, president of State Mutual Life, said government insistence on extremely low interest rates to ease the national debt burden constitutes a threat to the fundamental incentive for saving.

Lansing—Warren F. Cook, Ann Arbor agent for New York Life, advised agents to adapt their selling programs to altered desires of the public.

Burlington, Ia.—Ed Connolly, president Iowa association, will speak March 22 at a dinner meeting on "The Prospect and the Agent."

Lynchburg, Va.—A seminar on veteran's affairs was conducted with W. S. Gresham, chairman of veterans' affairs, presiding, and the flying squad of the N. A. L. U. Veterans Administration taking part.

San Francisco—"The Attributes of Successful Salesmanship" was discussed Thursday by H. W. Dodge, newly elected president San Francisco Quarter Million Round Table and member Million Dollar Round Table of the N. A. L. U., who has qualified for his company's \$250,000 production club every year since he entered the business 25 years ago.

Parsons, Kan.—C. W. Cooper, Business Men's Assurance, Iola, spoke on "Sales Presentations That Sell Life Insurance."

Birmingham, Ala.—The "flying squadron" of the N. A. L. U. and Veterans Administration conducted a seminar on veterans' affairs.

Minneapolis—Clifford H. Orr, president of the American Society of C. L. U. spoke Monday at a joint meeting with the Minneapolis C. L. U. chapter on "Public Acceptance."

Richmond, Va.—Russell C. Wonderlic, Baltimore manager for Mutual Life, spoke on "Challenge of Accomplishment."

Washington, D. C.—Federal Judge Armistead Doble, Charlottesville, Va., will address the luncheon meeting March 27.

St. Louis—Clancy D. Connell, N. A. L. U. president, spoke Wednesday on

"The Fruits of Life Insurance." He also reported on midyear meeting in Omaha.

The membership of the St. Louis association is well above 400 and still going up. The goal for 1946 is 500 plus.

Columbus, O.—Glenn W. Isgrig, Cincinnati manager of Reliance Life, will speak on "Having Fun Selling Life Insurance."

Kansas City—Clancy D. Connell, president of the N. A. L. U., addressed the luncheon meeting Tuesday on "The Fruits of Life Insurance."

St. Joseph, Mo.—A. C. Duckett, Northwestern Mutual, Los Angeles, N. A. L. U. trustee, was the featured speaker Monday. Also on the program were Adam Rosenthal, Acacia Mutual, St. Louis, president of the Missouri state association and St. Louis national committee-man, and Richard H. Bennett, president of the St. Louis association and state program chairman.

Los Angeles—The local association now has 816 paid members, and hopes to become the third ranking association in the country.

AGENCY NEWS

Crown Life Names Willis-Moore

Crown Life of Canada has appointed Willis-Moore Insurance, St. Paul, general agents for that city and vicinity through its divisional managers for Minnesota, Moore & Sons, Minneapolis. Willis-Moore is establishing a separate life department under J. W. Ivance, who has had an extensive experience in that field. Quarters in the Pioneer building are being enlarged to accommodate the new department.

Berkshire Life Agency Record

The largest month's business ever reported by a single agency for Berkshire Life was achieved by the James B. O'Brien agency at Albany, N. Y., in a February campaign.

The agency rolled up just over \$1 million in new life insurance issued and paid for in an anniversary campaign for Mr. O'Brien, who is celebrating his 25th year with Berkshire.

Florida Vacation Pays

The members of J. K. Taylor Louisville agency of Equitable Society staged a 30-day demonstration in his honor while he was on vacation in Florida, in which 45 agents forwarded 241½ applications for a volume of \$896,549 of written business. John Shaw of Ashland was the leader in volume with \$98,300 and W. E. Winkenhof of Bowling

Green, who just returned from the service Jan. 1, was leader in written applications with 29.

Honor Gros in Memphis

George Avery White, president of State Mutual Life, was chief speaker at a luncheon in Memphis at which Jeff Gros was honored as general agent of the company there for nine years. Robert H. Denny, vice-president and superintendent of agencies, also spoke. State Mutual, according to President White, is particularly eager to aid returning service men in obtaining money with which to buy or build homes.

Mail Order Transaction Comprises 'Doing Business' in S. C., U. S. Court Holds

The uniform unauthorized insurers act of South Carolina is such as to cause appointment of the insurance commissioner as agent for service of process when an unlicensed insurer delivers by mail to a resident a policy as the result of an inquiry prompted by an advertisement in Grier's Almanac.

This was the decision of the federal court for the eastern district of South Carolina in Storey vs. United of Chicago. A pertinent part of the law reads: "The transacting of business in this state by a foreign or alien insurer without being authorized to do business in this state, and the issuance or delivery by such foreign or alien insurer of a policy . . . to a citizen of this state, or to a resident thereof . . . is equivalent to an appointment by such insurer of the commissioner of insurance . . . to be its true and lawful attorney upon whom may be served all lawful process. . . ."

The insured James Ira Storey of near Leesville, S. C., is dead and the widow, Gladys Evelyn Storey, brought action in state court to recover \$5,000 on a policy issued by United through its office at Elgin, Ill.


United took the position that if it was engaged in business in South Carolina, the service upon the insurance commissioner is good, but United contends that it has never within the meaning of the act "done business" within South Carolina.

The court concluded that the act was designed and intended to apply to cases of just this character. The court declared that in recent years there has been quite an extension of the so-called mail order insurance business and courts cannot be unmindful of the fact that without such an act, an insurer could say to an insured or to his beneficiary in case of a controversy that the issue between them could be settled only in one of two ways, first, by accepting the insurer's contention or second, by suing the insurer in its own bailiwick. It takes little imagination to perceive that in such a situation the insured or his beneficiary would be at a distinct disadvantage, especially if the amount involved should be small and the distance great, the court declared. The coercive influence of such an attitude on the part of an insurer in most cases would result in the insurer having its own way. The court declared that the policy was delivered and accepted in South Carolina.

The court concluded that the application originated in South Carolina, that the policy while presumably executed in Illinois on the part of the insured, was not to become effective until it was accepted by the insured, in South Carolina, that the obligation of the insurer was to pay in South Carolina at the residence of the insured or the beneficiary, that the insurer had certain rights under the policy for its protection against unfounded claims which could be exercised only in South Carolina, such as the examination of the insured or the holding of an autopsy.

Jack D. Hall of Batesburg was attorney for Mrs. Storey, while Thomas Cain & Black of Columbia represented United.

Jeepers!



What a RIDER!

The USLife's
TERM RIDER TO 65
adds 100%, 150%, 200%
to face amount of basic
policy having premiums
payable to 65.

"Ask
U.S."

The States Life

INSURANCE COMPANY
IN THE CITY OF NEW YORK

LIFE REINSURANCE

North American Reassurance Co.

LAWRENCE M. CATHLES, President

110 East 42nd Street

New York 17, N. Y.

Show 1945 Record in Three States

MICHIGAN

Figures are for ordinary unless designated (I) for industrial and (G) for group.

	New Business	in Force
Acacia Mutual	2,285,381	11,169,387
Aetna Life	13,935,386	102,150,762
(G) 207,342,983	298,765,712	
Agricultural Life	36,989	5,673,789
Alliance Life	2,130,799	17,882,496
(G) 1,140,250	2,267,000	
American National	2,404,335	11,958,573
(I) 4,339,330	30,649,358	
American United	1,913,103	11,721,163
(F)	616,465	
Bankers Life, Ia.	3,572,279	30,547,007
(G) 633,687	859,655	
Bankers Life, Neb.	473,626	3,364,229
(G) 171,258	2,084,942	
Beneficial Standard	899,269	8,148,523
Berkshire Life	919,656	4,999,451
Business Men's Assur.	697,728	9,023,821
Central Life, Ia.	1,056,759	21,392,307
(I) 2,159,760	701,259	
Columbian Natl. Life.	535,939	4,552,542
(G) 6,000	122,000	
Columbus Mutual Life	4,697,119	31,069,449
Connecticut Genl. Life	4,607,627	32,321,819
(G) 14,221,623	34,233,564	
Connecticut Mut. Life.	5,812,936	56,396,560
Conservative, W. Va.	364,340	1,828,936
Continental Assur.	4,676,906	30,847,701
(G) 34,808,451	34,564,322	
Credit Life	1,019	509
(G) 39,750	103,705	
Cuna Mutual	386,248	1,964,162
(G) 12,811,475	157,679,090	
Equitable Society	28,482,171	87,436,391
(G) 4,403,884	35,435,264	
Equitable Life Ia.	14,083	.....
Eureka-Maryland	84,262	1,407,115
Expressmen's Mutual.	674,157	858,789
Farmers & Traders.	952,000	9,652,422
Federal Life	5	251
(I) 684,919	13,169,042	
Fidelity Mutual	3,054,515	16,918,408
Franklin Life	157,790	665,681
Federal Life & Cas.	769,400	9,527,328
(G) 8,733,649	31,055,147	
Girard Life	94,666	1,014,027
Great Northern	551,441	5,555,430
Guarantee Mutual	485,885	8,040,991
Guardian Life	512,681	9,867,381
Home Life, N. Y.	3,621,489	30,813,495
Indianapolis Life	406,948	5,144,114
Jefferson Natl. Life.	166,500	212,500
John Hancock Mutual	22,771,965	176,347,716
(G) 47,288,084	152,075,493	
(I) 10,684,854	108,921,231	
Kansas City Life	1,171,555	7,742,176
Lafayette Life	2,408,353	15,426,902
Life of Virginia	3,200,160	18,793,627
(G) 51,000	295,200	
(I) 5,357,293	38,673,506	
Lincoln Natl. Life.	12,767,956	98,328,315
(G) 512,600	1,740,400	
Loyal Prot. Life.	209,267	676,700
Lutheran Mutual Life	1,032,887	8,636,186
Manhattan Life	737,315	2,134,987
Massachusetts Mutual.	10,904,123	129,204,973
Massachusetts Prot.	319,161	2,703,087
Metropolitan Life	47,318,038	590,310,007
(G) 364,863,060	538,243,080	
(I) 24,176,220	370,133,122	
Michigan Life	2,808,894	25,943,281
(G) 1,060,051	2,736,672	
Midland Mutual Life.	740,095	8,384,769
Minnesota Mutual Life.	2,615,192	9,491,797
(G) 1,725,000	2,365,500	
Monumental Life	2,068,273	11,470,437
(I) 1,843,042	16,316,329	
Monarch Life	602,030	2,676,574
Morris Plan	837,038	1,235,638
Mutual Benefit Life.	15,766,409	218,930,023
Mutual Life, N. Y.	7,778,444	110,925,619
Mutual Trust, Ill.	1,919,632	13,957,794
National Life and Acc.	2,201,541	19,927,866
(G) 125,000	425,000	
(I) 6,750,829	41,145,763	
National Life, Ia.	340,653	1,695,630
National Life, Vt.	4,340,667	34,356,484
Natl. Masonic Prov.	34,550	117,176
New England Mut.	7,545,978	72,597,438
North Amer. Accident	15,538,587	194,422,466
North American Life.	4,000	628,896
Northwestern Mut. Life.	212,680	3,378,286
Northwestern Natl. Life.	22,102,915	256,363,605
(G) 1,130,483	24,252,634	
Occidental Life	3,253,200	8,064,300
(G) 2,479,773	9,294,879	
Ohio National Life.	580,363	1,178,169
Ohio State Life.	6,643,302	24,293,930
Old Line Life.	1,014,297	10,264,409
Old Republic Credit.	187,824	2,962,293
Paul Reverse Life.	1,670,191	1,560,137
Penn Mutual Life.	1,444,483	15,629,833
Peoples Life	866,842	3,861,005
(G) 7,567,608	69,204,794	
Pharmaceutical Life.	486,269	3,598,422
(G) 90,000	62,000	
Philadelphia Life	17,500	437,551
Phoenix Mutual Life.	2,290,622	29,764,439
Provident Life & Acc.	77,953	763,186
(G) 1,647,000	4,122,279	
Provident Mutual Life.	4,542,289	43,504,162
Prudential	42,207,667	414,279,232
(G) 62,075,038	115,698,446	
(I) 17,753,505	283,943,901	
Reliance Life	4,351,470	29,073,315
Rockford Life	49,500	1,401,455
Standard Life, Ind.	469,838	1,221,142
Security Mutual, N. Y.	1,036,903	6,023,941
(G) 814,000	392,000	
State Farm Life	2,560,717	15,927,494
(G) 80,250	34,000	
State Life	148,374	4,336,709
State Mutual Life.	2,676,488	32,838,329
Supreme Liberty Life.	1,768,529	5,580,067
(I) 2,795,676	7,071,916	
Travelers	7,950,398	74,589,417
(G) 71,839,997	206,225,176	
Union Central Life	1,974,153	25,900,555

New Business in Force

Union Labor Life	\$5,511	\$04,673
(G) 1,177,750	5,043,500	
Union Mutual Life.	568,696	3,754,849
United Benefit Life.	4,314,327	21,610,398
(G) 134,500	71,500	
United, Ill.	4,795,639	8,808,454
(I) 272,594	3,067,798	
Washington National.	1,612,103	7,994,385
(G)	2,425	
Western & Southern.	4,251,160	10,490,728
(G) 8,811,118	68,450,488	
Wisconsin Natl. Life.	136,400	948,250
(I) 8,503,193	87,528,275	
Woodmen Central	324,638	12,220,992
World	363,000	318,000
Canada Life	27,000	26,000
(G) 3,284,979	22,199,320	
Confederation Life	210,250	598,550
Crown Life	89,990	2,676,166
Dominion Life	3,240,045	19,440,922
(G) 4,352,384	23,997,746	
Great West Life.	17,007	211,000
(G) 5,532,536	55,717,475	
Manufacturers Life.	1,017,200	3,126,653
(G) 6,592,058	56,317,799	
No. Amer. Life, Can.	12,500	152,500
(G) 2,004,611	15,786,763	
Northern Life, Can.	47,000	36,500
Sun Life, Can.	2,087,629	5,636,269
(G) 6,558,860	99,385,157	
Total New Ordinary	17,759,111	43,720,179
Total New Group	479,778,825	872,333,435
Total New Industrial	872,333,435	93,590,492
Total All Lines	\$1,445,702,751	\$1,445,702,751
Total Ordinary	\$4,007,092,913	\$4,007,092,913
Total Group	1,579,156,054	1,579,156,054
Total Industrial	1,004,384,098	1,004,384,098
Total in Force	\$6,591,249,530	\$6,591,249,530

PENNSYLVANIA

	New Business	in Force
Acacia Mutual Life.	4,419,469	37,402,013
Aetna Life	13,215,595	163,401,394
(G) 62,412,750	242,897,402	
All State Life, Ala. ....	.....	25,600
(I) 18,621,502	16,682,436	
American National.	966,228	3,493,830
Amer. Standard Life .....	.....	959,489
(G) 200,000	2,554,250	
American United	641,820	7,655,049
(F) 501	3,733,643	
Atlantic Life	185,287	2,008,869
Baltimore Life	6,675,073	36,589,870
(I) 7,337,013	74,567,013	
Bankers Life, Ia.	3,908,544	52,637,059
(G) 6,860,550	8,037,928	
Bankers Life, Neb.	1,450,207	11,045,286
Bankers National	2,594,679	21,755,285
Berkshire Life	2,256,173	31,117,451
Business Men's Ass.	1,215,784	3,265,060
(G) 9,600	34,200	
Canada Life	2,202,203	44,858,926
(G) 4,500	28,500	
Colonial Life	3,737,045	19,638,942
(G) 129,000	129,000	
(I) 3,092,474	30,325,771	
Columbian National.	1,665,891	9,116,604
(G) 335,174	559,997	
Columbus Mutual	600	8,134,847
Connecticut General.	21,151,139	162,408,969
(G) 19,800,914	92,347,341	
Connecticut Mutual.	10,811,201	119,972,581
Conservative, W. Va.	277,160	2,894,362
Continental Amer.	2,904,095	30,717,749
Continental Assur.	4,530,641	23,331,491
(G) 8,105,170	13,110,624	
Credit Life	1,644,380	1,879,021
(G) 973,201	550,848	
Dominion Life	846,135	2,929,881
Equitable Society.	32,450,730	502,978,694
(G) 184,497,480	580,544,569	
Equitable Life, Iowa.	6,111,896	85,405,436
Eureka-Maryland	2,685,362	.....
(G) 1,026,025	.....
(I) 753,677	.....
Expressmen's Mutual.	2,213,946	2,213,946
Farm Bureau Life.	9,589,757	35,399,207
(G) 15,600	338,400	
Farmers and Traders.	1,394,839	13,989,124
Federal Life & Cas.	379,600	550,100
Federal Life	63,550	3,030,100
Fidelity Mutual Life.	10,285,463	100,305,861
Franklin Life	982,219	2,733,441
(G) 39,500	442,700	
General American.	899,200	15,041,971
(G) 4,175,695	47,827,962	
Girard Life	1,799,683	17,314,802
Great West Life.	1,558,553	2,988,674
(G) 10,000	3,778,224	
Guardian Life	1,646,729	27,771,477
(G) 83,683	1,410,261	
(I)	2,112	
Home Friendly	655,080	8,428,243
(I) 4,971,263	28,161,261	
Home Life, N. Y.	11,121,702	73,972,032
Home Life, Del.	11,271,702	87,661,547
(I) 1,824,162	7,644,349	
Jefferson Standard	40,553,529	289,688,406
John Hancock Mut.	24,528,442	47,049,964
(G) 18,705,594	205,703,908	
Kansas City Life	1,320,065	5,356,185
Ky. Central L. & A.	183,590	627,575
(I) 4,272,088	7,288,841	
Knights Life	12,384,412	61,281,230
(G) 1,028,800	771,300	
(I) 31,792,703	132,018,632	
Liberty National Life	191,428	2,776,307
Life of Virginia. ....	.....	57,000
Lincoln National Life	19,347,757	110,058,458
(G) 132,000	146,500	
Loyal Protective Life.	297,031	1,235,584
(G) 10,000	117,000	
Lutheran Mut. Life.	510,836	5,664,893
Maryland Life	14,000	1,112,116
Manufacturers Life	3,444,337	20,365,804
(G) 127,500	69,500	

ASSISTANT MANAGER

A long established, progressive Western life insurance company, writing Life, Group and Accident and Sickness, is looking for two high-grade men to assist Managers of two fast-growing Agencies in Metropolitan areas in California.

We prefer men who are college trained between 30 and 40 years of age — with experience in organization work. Must also have sales records that will stand close inspection.

The men we select will receive special Home Office training in highly developed recruiting and T. W. I. methods.

Compensation will include substantial salary plus commissions or bonus. Splendid opportunity to advance to manager upon demonstration of ability to recruit and train agents.


If you have the qualifications, write in strict confidence to Box F-29, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Another Year of Marked Progress

1945 was another outstanding year for Atlantic Life. New business exceeded that of any other year since 1931. Insurance in force increased to \$160,660,945, representing a gain of more than \$8,000,000 for the year. The Company's average size policy for the year was the largest since 1941, and the Agency Organization was increased to the highest point for many years.

1946 offers a real opportunity for Atlantic Life representatives under the Company's salary and incentive commission plan of operation, which is proving so beneficial to a fast growing agency organization.

Agency and Managerial opportunities available in Virginia, North Carolina, South Carolina, Maryland, District of Columbia, West Virginia, Tennessee and Texas.



ATLANTIC LIFE

INSURANCE COMPANY

Richmond, Virginia

Organized 1899

Directing the Way Toward
Financial Security Since
The Turn of the Century

Rutherford Calls for Halt on Group

(CONTINUED FROM PAGE 2)

said that carries little weight with career agents since something more than 70% of the group insurance commissions go to others than career men.

Due to many of the sales procedures in group insurance it is possible for such cover to be inimical to the best interest of the average career agent. Entirely too much of it is sold from some distant point and without participation in the commission on the part of local agents in cities where the employees reside, he asserted.

The New York acquisition law, Mr. Rutherford observed, does not pertain to sales expenses of group insurance. Any company desiring to do so could hire high priced roving operators to scour the country and promote group sales.

Over All Expenses

The only limitation as to group insurance expense is in the total over all expenses of the company and these limits are ample to permit expenditures in group insurance sales which could not be spent upon individual agents.

In the interest of the company, the public, the career agent and the insurers immediate thought should be given the present situation with respect to expansion of group coverage, he declared. It is desirable more clearly to define the fields in which group sales and individual policy sales should be made.

"I know," Mr. Rutherford said, "there will go up a great cry that these extensions of group coverage are in the public interest. Plenty of people are willing to wave the flag and talk about the public interest. The best interests of the insuring public have to do with the agent himself. He is the fellow who interprets his company and life insurance to the public and interprets the public to his company. It is clear that in the public interest the career agent must be protected. I believe that we must give him more than just lip service. I hope we will use all facilities available to protect him against inroads from government competition and over-the-counter operators, and even those in our business who would extend mass selling to the point where it ultimately would destroy him."

Savings Bank Situation

As to savings bank life insurance, Mr. Rutherford said that the association is not trying to restrict the number of companies or the number of qualified agents. They take the position that if the banks want to get into life insurance they should do so on the basis required of any other group and that is by complying with the life insurance laws of the state. That means they should not enjoy state subsidy and the name of the state should not be lent to the scheme. The N.A.L.U. does not ask for favors and opposes the granting of special favors to others, especially where such grants tend to destroy the business in which the career men are engaged or to hamper them in earning a livelihood in it.

Savings bank life insurance operators are becoming bolder and bolder, according to Mr. Rutherford. In their advertising they emphasize that the purchaser doesn't have to be "bothered" by an agent. They are seeking to sell business over the counter by discrediting the agent.

He expressed appreciation for the fact that top management of life companies is becoming interested in these questions.

Not Social Legislation

Savings bank life insurance is not social legislation. The promoters have lost sight of the original objective, Mr. Rutherford declared. Usually the life insurance department of a savings bank is regarded as a "feeder" for other de-

partments. "The scheme rides on the coattails and gains public acceptance on the reputations of career life underwriters and companies."

"Because there are agents who preach life insurance and service all of it whether they get paid for it or not, and only because of that, can a scheme such as savings bank life insurance long exist," he went on.

"These savings banks and other over-the-counter fellows should get on their knees each evening and thank their Maker that there still are career life insurance agents and companies in existence. So long as there are agents who pound the pavements, turn the doorknobs and preach the gospel, and so long as our companies create and maintain public confidence by their wise management, some people will be able to sell life insurance of a fashion over the counter."

Mail Order Insurers

Mr. Rutherford then took up his cudgels against the mail order insurers. These operators also, he contended, are trading on the reputations of career agents and "law-abiding" companies. Their literature often seems to promise returns that no law-abiding company could by the wildest stretch of imagination hope to deliver.

"Lured on by the thought of being able to get something good for less than true value, the poor citizen who buys this stuff soon learns to his sorrow that he has no recourse whatsoever against the man who let him have it 'cheap'."

This situation discredits reputable agents and companies and ought to be stopped by state legislation, Mr. Rutherford contended. He expressed the opinion that a state should prevent its domestic companies from operating in any other state without meeting the latter's entrance requirements. He expressed the hope that the insurance commissioners in many states will offer model legislation along this line in 1947.

Then he declared that there is a tendency on the part of some companies to sell "wholesale" group life insurance and group annuities. There may be a direct sale without any commission to an agent or the sale may be made through reinsuring a corporation which has no agents and pays no commission. Such practices the association condemns.

Uncompensated Activities

Mr. Rutherford went on to say that before companies go further into the field of special policies with reduced percentages of first and renewal commissions, they should consider the to-

tal amount of work a career agent must now do and the decreasing portion of it for which he is compensated.

The agent has taken on an extra load in undertaking to service the OASI provisions of social security and NSLI and the companies should refrain from competing with him directly or indirectly and should "refrain from issuing fancier and fancier policies with lower and lower commissions."

Mr. Rutherford conceded that many of these special contracts are issued in response to insistent pleas by some field men. He warned agents that make such pleas to take heed of the ultimate consequences.

Mr. Rutherford said the dangers that he has cited fortunately have not yet seriously effected the pocketbooks of most agents. However, they cast a shadow over future prospects.

The association is convinced that modern qualification laws should be enacted in every state. The business cannot police itself in this respect, he declared.

At the same time the state insurance departments should be strengthened. Until there are more adequate appropriations for the departments, enactment of qualification laws might be an idle gesture.

He recommended that each insurance department maintain a master file by individuals so that an accurate census could be taken of the number of agents in the country. Only a very few states are able to supply this information today. Mr. Rutherford said that the part timer should be eliminated from urban centers of 50,000 or more and he would personally prefer to have such men eliminated from cities of a much smaller population.

A new agency practices agreement should, however, contain more than a reference to the part timer and to proselyting. It must be an instrument that will increase respect for the career agent and aid in the preservation of the agency system. It must touch on many of the matters about which Mr. Rutherford was speaking, he said.

This statement of Mr. Rutherford's was, of course, an outspoken one. It was given early in the day at the national council meeting. It arrested attention and there was general approbation of the fact that the association had thus chosen to speak up in this way on controversial topics, even though there were those in the group who would give Mr. Rutherford an argument on some of the points.

The talk was not put together until Mr. Rutherford reached Omaha and several drafts were made before the

Seek to Put New Life Into Managers' Groups

(CONTINUED FROM PAGE 2)

ency, they might pay 4% the second, third, and fourth years and 2% thereafter so long as the contract is premium paying.

Finally the payoff for maintaining a corps of career agents might entail the payment of \$1.50 per thousand on the business of each new man who produces \$100,000 or more his first year, and \$1.25 on existing men who pay for \$200,000 or more.

The next step is to tot up these payments and see how they square with the New York law. If they exceed the New York allowance, then it will be necessary to shave one or more of the factors.

That, he said, is how any company would proceed to build the compensation of its agency heads.

J. E. Scholefield of L.I.A.M.A., told about the trophies that are awarded annually to local general agents associations by "Managers Magazine" of which he is editor.

With American United at Phila.

A. Walter Zimmermann has been appointed brokerage manager at Philadelphia in the Herkness-Peyton-Bishop general agency of American United Life.

Mr. Zimmermann is a graduate of the evening school of accounts and finance at University of Pennsylvania. He has been in life insurance for 16 years.

John W. Tierney, who has just gone with Travelers as publicity assistant in the news department, was in Chicago this week to get acquainted with the Travelers organization there and also Sunday evening he was presented with a commendation for public service by the Chicago Committee of 100 for his contribution to improvement of racial relations while he was in the army. Mr. Tierney was a major and served as public relations officer at Camp Lee, Va. Before the war he was in daily newspaper and wire service work at New York. He will attend the Travelers school and then take up his news bureau assignment.

final one was run off for the association by Guarantee Mutual Life.

The talk was declared to be off the record for daily newspapers.

THE MANUFACTURERS

COMPLETE BROKERAGE FACILITIES

All Life, Endowment and Annuity Plans.
Favorable Par. and Non-par. rates.
Standard and Sub-standard risks.
Facilities for handling large cases.
Civilian Foreign Travel Coverage.
Annuities — Single Premiums up to \$100,000.
Prompt and Efficient Service.

INSURANCE IN FORCE, 853 MILLION DOLLARS

(Including Deferred Annuities)

ASSETS, 295 MILLION DOLLARS

LIFE

INSURANCE COMPANY

HEAD OFFICE:
TORONTO, CANADA
Established 1887

N.A.L.U. Council Has Busy Session

(CONTINUED FROM PAGE 1)

No longer does
"Death rain from
the skies," but
the Grim Reaper
keeps a-going on
the highways.

Guardian Life
Insurance Company

Madison 1, Wisconsin

"A FULL HOUSE"

A Hand That Can't Lose

A

LIFE INSURANCE

A

ACCIDENT HEALTH INSURANCE

Plus

A

HOSPITALIZATION

K

A POLICY TO FIT EVERY NEED
OF THE PROSPECT

K

NO PROBLEM OF OUR AGENTS
IS TOO BIG OR TOO SMALL
TO RECEIVE 101% CONSIDER-
ATION

POSTAL LIFE Deals this kind
of a hand to all its agents.

Let Us Deal You In

TERRITORIES OPEN IN MISSOURI,
KANSAS, IOWA and NEBRASKA

For further information

WRITE

O. R. JACKSON, VICE-PRESIDENT

**POSTAL LIFE & CASUALTY
INSURANCE COMPANY**

"An Old Line Legal Reserve Life Insurance
Company"

4727 Wyandotte St. Kansas City 2, Mo.

and the project may consume two or three years.

Roderick Pirnie, Massachusetts Mutual, Providence, as chairman of the committee on cooperation with U. S. Chamber of Commerce, stated that the forthcoming hemispheric conference at New York is entirely in the realm of fire and casualty insurance. He said he expects that the U. S. Chamber will take some action soon on conducting clinics on employ insurance throughout the country and if so the Pirnie committee will cooperate in this.

W. S. Leighton, New York Life, Minneapolis, was given a hand when he was introduced as chairman of the membership committee.

Committee on Education

The report of Clifford Orr, as chairman of the committee on education, was not in the printed booklet that was distributed separately at Omaha. He recalled that a total of \$45,000 was pledged toward the operation of an institutional plan for life underwriter education and training for one year, consisting of \$15,000 by N.A.L.U., \$25,000 by L.I.A. and \$5,000 by A.L.C.

A planning group was formed and L.I.A.M.A. has now designated as its representatives, Vincent B. Coffin and Edward C. Andersen, Connecticut Mutual; Raymond C. Johnson, New York Life, and they are meeting with Mr. Orr and E. L. Reiley, Penn Mutual, Cleveland, April 2 to complete details.

University of Connecticut expressed interest in establishing a course similar to that at Purdue at a meeting that was held between university people and L.I.A.M.A. and Connecticut State Association of Life Underwriters, Feb. 26.

Another report distributed separately was that on integration of life underwriters into N.A.L.U. of which Wayman Dean is chairman.

He suggested that new members be inducted into associations with ceremonies and a special effort should be made to see that the new man gets well acquainted. It might be well to have the new members come to the meeting ahead of time for some indoctrination work.

As many of the members as possible should be put to work through assignment to committees, etc. An annual social event of some kind strengthens the bonds. Members might be polled on their desires as to program features. The programs should be so arranged as to appeal to the whole membership.

Law and Legislation Debate

While the N.A.L.U. council approved most of the committee reports set before it, certain modifications were voted in after motions from the floor and several committee chairmen announced modifications which grew out of committee meetings the previous day.

The longest time and the greatest interest was devoted to the report of the committee on federal law and legislation presented to the council by Judd C. Benson, chairman. Outstanding figure in the debates which this report engendered was H. Kennedy Nickell, Connecticut General, who, as president of the Chicago association, initiated several motions from the floor to modify the legislative program in accordance with the apparent conviction of the Chicago association that N.A.L.U. should drop all attempts to secure what might be interpreted as special privileges in Washington.

Mr. Nickell moved that N.A.L.U. abandon efforts to resurrect the Loneragan amendment. He said there were

other things which were more important to push, and warned insurance against seeking special privileges. Mr. Nickell said the Chicago association felt that this is hardly the time to advance any demands for special favor from the Treasury Department. He recommended the committee abandon such projects, at least temporarily, because at the present time, "they are burrs under the saddle in Washington and there is no reason to antagonize the Treasury Department more than we have done."

Amendment Is Defeated

Chairman Benson admitted the Loneragan amendment had little chance of success and said that not too much emphasis would be placed upon pushing it at this time. Mr. Nickell's original motion was softened by an amendment that the committee "cease emphasis" on its fight against the estate and gift tax discrimination rather than "abandon" the effort. Opposition to the Nickell motion was led from the floor by C. Vivian Anderson, Provident Mutual, Cincinnati, who urged that the whole matter be left to the discretion of the legislation committee. The Nickell motion was defeated.

Turning to the suggested changes in income tax law, which were published in the report, the council approved a suggestion by Mr. Nickell to change the word "bounty" in paragraph B to read "insurable interest." This action, as so amended, states that the association will continue to urge amendment of the internal revenue code "so that the proceeds of either life insurance or annuity contracts acquired by assignment will be taxed as though they had been originally acquired by the assignee, if the beneficiaries by reason of relationship or otherwise, are entitled to the insurable interest of the insured."

Again at the suggestion of a Chicago association representative, paragraph C of this section which pledged the association to urge amendment of the internal revenue code to simplify the method of taxing commissions receivable by the estate or beneficiary of a deceased life underwriter, was stricken from the report. Mr. Nickell and several others said this would bring charges of discrimination in favor of the insurance agent.

Comply with Benson Request

In regard to revising the basis of taxing annuity payments so that, subject to reasonable protection in tax avoidance, the tax would be imposed upon a sound recovery of cost basis, Chairman Benson asked for a council vote giving the committee a free hand to resolve this difficulty with the Treasury Department and the council unanimously complied with his request.

A motion from the floor and considerable debate revolved around the section which pledges the association to urge amendment of the revenue code to relieve an agent assignor, who makes a complete and irrevocable assignment of all interest in a renewal commission contract, from the present burden of tax upon income enjoyed by the assignee. The committee maintains that there is an existing discrimination against income received from such contract as compared with income from other assets. Mr. Nickell made a motion that the legislation committee discontinue all efforts to secure this exemption because the U. S. Supreme Court had already passed unfavorably upon it.

During the discussion which followed, Chairman Benson said that certain counsel had indicated there was some technical chance of removing this "discrimination." At this point, Gerard S. Brown, Penn Mutual, Chicago, arose to ask, "Why do we try to make the earned income of the life insurance agent different from the income of anyone else in regard to taxation?"

Chairman Benson said the committee

had no objection to temporarily shelving this demand. This precipitated argument from the floor as to whether this assigned interest is property or compensation with Mr. Anderson maintaining it was property and Mr. Brown leading a group of agents who insisted it was compensation. The question was called for and the motion was defeated, leaving this section in the committee report. The remainder of the legislation committee report was unanimously endorsed by the council.

In presenting the report of the sub-committee on social security, Chairman Benson said the members agreed with the conclusions embodied in the Calhoun report. The sub-committee endorsed the Calhoun stand that a war veteran should be given social security credit for military service.

Chairman Benson called for a motion to back the sub-committee's conclusion that the service increment should be removed from social security and be replaced by a formula which would make benefits for those just coming under the act equal or almost equal to the benefits enjoyed by those who had been under the act for a long time. He said this would make social security a more realistic measure. It would also remove pressure on Congress to enlarge the benefits of social security and would make it easier for the life agent to figure out the social security benefits on his prospects. This motion was presented and passed unanimously. Chairman Benson said that N.A.L.U. will seek to limit projecting total and permanent disability under social security. He recommended that an advisory commission be formed to investigate refinancing the whole social security program.

Work Test Provisions

Mr. Benson said the social security sub-committee recommended a change in the work test provisions of social security. He suggested the minimum earnings be increased to \$25 or \$30 from the present \$15. The committee suggests that the amount a man over 65 earns privately be deducted from his social security benefits without blocking benefits entirely.

A motion was passed unanimously to approve the entire social security report and to give the committee a standing vote of confidence.

John D. Marsh, Lincoln National, Washington, chairman of the committee on veterans' affairs, said that his committee approved in its entirety the veterans administration bill to increase the benefits of N.S.L.I.

Unanimously approved was the resolution on the N.S.L.I. drawn up by the committee on resolutions endorsing continuation of the present practice of informing agents about NSLI and further pressure upon veterans to retain this insurance.

Also passed unanimously was the res-

**WE AGAIN
REPEAT!**

*"We have no rule that
we will not break if
it is good business to
break it"*

-Harry V. Wade

Standard Life

INSURANCE COMPANY OF INDIANA
INDIANAPOLIS

GENERAL AGENCIES OPEN IN
Arizona • Florida • Illinois • Indiana • Kentucky • Louisiana
Maryland • Michigan • New Mexico • Texas • West Virginia

olution that the national council urge congress to guard against any further devaluation of the dollar and to seek reduction in expenses of government to assure that the value of war bonds sold and purchased by life insurance men and companies retain fair value. It was further resolved that a copy of the resolution be sent to the executive and legislative branches of government at Washington and that local associations implement the intent of the resolution.

A resolution was endorsed honoring the memory of Horace Mecklem, New England Mutual, Portland, Ore. Also unanimously agreed to was a resolution giving a vote of thanks to the people of Omaha, the Omaha association and the convention committees.

Rebate on Quality Award

McKinley H. Warren, conservation committee member, presented the report for Harold Smyth, chairman, who was unable to be present. Mr. McKinley said that, while the closing date for filing applications for the 1946 national quality award is not until March 31, 1,800 applications for the award have already been received. Immediately agent after agent arose from the floor to suggest changes in qualifications for the award. Several urged that the requirement that an agent must have been with a company for the two preceding years be knocked out. Others suggested that the \$150,000 which the committee has required be placed in one company be changed to admit the qualifying agent to write business in a number of companies.

The chair recognized several who asked that the committee on conservation consider annuities and group insurance as qualifying an agent for the award. Others suggested that the termination of contracts because of the death of policyholders should not count against an agent. It was also suggested that the quality requirement should be 95% retention of business for two years rather than the present 90% requirement for this period. A broadening of the qualifications to include term conversions was urged. Executive Vice-president Rutherford rose to commend these suggestions but said inclusion of annuities and group insurance should wait until next year. He also thought that the qualifying figure should remain at 90% for the time being.

This led to a motion which was passed unanimously and in its final form changed qualifications for the award as follows: The requirement that a man be with the same company for two years prior to receiving the award has been removed; the requirement that to qualify a man must write \$150,000 on 15 lives in one company has been removed to permit a man to file a total picture for this amount properly attested to by all companies in which he has written the business; from now on terminations by death will not be counted; term conversions will hereafter be counted for the quality award.

Comic Relief

As a comic relief to the serious business transacted in this session, Grant Taggart, Cowley, Wyo., rose to suggest that the council present a copy of "Roberts' Rules of Order" to Vivian Anderson, who had kept the session in an uproar by defying parliamentary procedure in his protestations against the various motions presented by representatives of the Chicago association. Mr. Anderson arose to commend the suggestion and said that perhaps more appropriate would be a copy of the rules he had broken that day, signed by President Connell. Mr. Connell so ordered.

Compensation Meeting

Of the committee meetings the day prior to the national council session, the most largely attended and one which elicited the most spirited discussion was that on agents' compensation. A. C. Duckett, Northwestern Mutual, Los Angeles, the chairman, had prepared a written report that was applauded by

(CONTINUED ON PAGE 31)

Great Business and Great Time for It

(CONTINUED FROM PAGE 3)

of New York protects a contract from creditors of the insured, though of course if an endowment contract matures as a single sum to the insured his creditors could attach the money available to him. Section 15 of the personal property law protects proceeds under a mode of settlement against attachment by creditors of the beneficiary, except in an action for necessities.

As to the fourth freedom, the benefits are guaranteed by the insurance company and at any point during the contract's life the insured knows what his benefits will be.

WOMEN'S PANEL

There was much interest in the panel on the woman's angle, handled by three agency department women, Miss Beatrice Jones, agency assistant of Guardian Life, Miss Hermine Kuhn, first field assistant of Manhattan Life, and Miss Mildred Stone, agency field secretary of Mutual Benefit Life.

Miss Jones said that a recent survey of employed women revealed the fact that 93% were working because they have to. One-third of employed women were the sole support of their families and at least half were responsible for more than half the support of the family. This means that women are the sole support of 5 1/2 million families. While this figure was developed before the war ended, it seems probable that the number will be increased as a result of war casualties, Miss Jones said.

Are Excellent Prospects

"These women are undoubtedly excellent prospects for the same insurance coverage that we place on the lives of men who are the sole support of the family," said Miss Jones. "And there is only one glaring difference: she is working not by choice but by necessity. She is still a woman who wants to get the things she is forced to do out of the way. Supporting the family is not her natural course and being realistic she wants to get through with it and get back to a life of gardening, cooking, and home-making. She brings to the insurance interview a natural receptivity to the conditions life insurance is so able to provide. Capitalize on that. Help her to realize how perfectly life insurance can serve as her economic ally."

Miss Jones said to her male listeners even if they were a little afraid of women, not to pass the woman prospect by. Men agents should not let themselves think that women agents can cover this large market, for women agents are and will continue to be in a minority among life insurance sales forces while the woman prospect is in the ascendancy.

DON'T TALK DOWN

Gaining the confidence of women is one of the easiest things to do, she said. She advised being honest about what life insurance will do and not making it sound more wonderful than it really is. Don't talk down to the woman prospect. If she trusts the agent she will say she doesn't understand and give him a second chance to state his case.

The woman who is supporting herself and her family from necessity rather than choice will buy her life insurance purposefully, Miss Jones pointed out. The business will persist because she knows what she is doing and why. She will be a source of new prospects because women will talk. She will talk about her program and the fine company that is behind it and her wonderful agent.

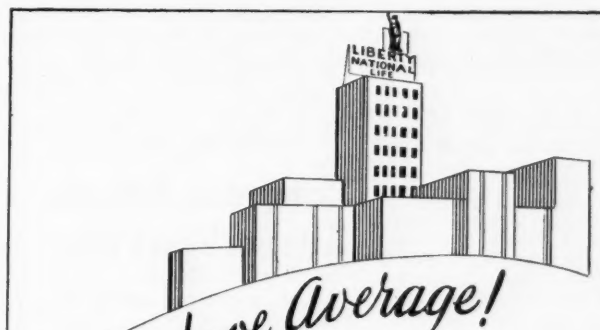
Miss Stone hooked up her comments with three libelous statements which men are apt to make about women:

Women talk too much; women wear crazy hats; women take everything personally.

Granted that women talk, regardless of whether it is too much, why not plan to turn her talk to your advantage? she asked her audience. The agent's wife, for example can, if he invites her to talk frankly about it, tell him much that will help him with his clothes and his grooming so he will make a better impression on the people he meets. Stenographers and secretaries can play an important part in his success—a friendly word at the right time to a client's sec-

retary may mean much. Always say good morning and at least pass the time of day. Bolster up the secretary's ego by asking her advice about something, such as whether her boss is the sort of person who likes to see figures in detail or prefers a broad picture.

The agent who is working on a programming basis can gain a great deal by establishing himself with Mrs. Client as the family's life insurance adviser. He can often give her information and a point of view that will be very much to his advantage. For example, one agent had sold a policyholder the limit in the



Above Average!

1 YEAR—35 YEARS of PROGRESS!


THE 1945 financial statement reflects the largest growth in the company's history. LIBERTY NATIONAL'S first 35 years were spent getting as much insurance in force as we made increase in insurance in force during 1945. This growth is the result of *service* to our policy holders and of the *faith* and *efforts* of our representatives.

LIBERTY NATIONAL
Life Insurance Company
ORGANIZED 1900
BIRMINGHAM, ALA.

Frank P. Samford
President


Home Office
Birmingham, Ala.

THE SYMBOL of COMPLETE PROTECTION



• LIFE • ACCIDENT • HEALTH
• ANNUITIES • HOSPITALIZATION
• GROUP • ALL-WAYS
• REINSURANCE

Centrally Located—
Serving the Nation
from Coast to Coast



W. T. GRANT
Chairman

J. C. HIGDON
President

BUSINESS MEN'S ASSURANCE COMPANY
KANSAS CITY 10, MISSOURI

Mutual Benefit. His wife regretted that all this money would never mean anything to her husband and was amazed to realize that it would mean something like \$150,000 when he got ready to retire.

Why Women Wear Crazy Hats

The reason that women wear crazy hats, said Miss Stone, is that they want to be different and please somebody. Next time the agent sees a pretty girl in a crazy hat coming down the street, it should be a challenge to him to ask himself whether he is doing anything different as a life insurance salesman to set himself apart from the rank and file and thereby please people. Even so small a thing as sending out birthday cards helps to set an agent apart, she said.

As to women taking things personally, Miss Stone said the criticism might be a boomerang since it might be said that most life insurance men don't take enough things personally. The agent may attend a meeting and get little out of it because he fails to apply what is said to himself. He should ask himself three questions in attending meetings: What has been said today that would be a good idea for me in connection with

my prospecting? What has been said today that can help me have a more effective sales presentation? What has been said today that can be applied by me to improve my work habits?

Miss Kuhn stressed the use of questions in talking to prospects—questions designed to stimulate his interest. When she strikes ore, this being the weak link in the prospect's estate setup, she lets him do the talking, interrupting only often enough to keep the conversation going. She points out some of the privileges he has for conserving his estate and suggests that he have analysis made of his insurance.

Miss Kuhn makes extensive use of the telephone in making appointments not only with referred leads but on cold canvass. Her secretary does the phoning and follows a well worked out routine that is actually a very persuasive job of selling the interview.

Congress Affords Agents Top Fare

(CONTINUED FROM PAGE 8)

These days, Mr. Johnson said, local business has to be doubly good, because most industries have become nationalized to the extent where the customer is far removed from management and local representatives bear the brunt of the public relations burden.

The public has become more and more inquiring, Mr. Johnson declared. People are better educated. Reformers have spread their messages widely through improved communications. The bar of public opinion is the final judge of how and what a business can do.

Denes Public

The public is not a solid mass of 140 million people, but is broken into hundreds of components which are bounded by prejudices, likes and dislikes. This puts an industry doubly on its mettle to impress its audience favorably.

The public has opinions which are constantly in a state of flux, Mr. Johnson said. Good public attitude does not just happen, it is conditioned by seeing, hearing, reading and experience. The motion pictures, for example, can influence food habits, house styles and dress. Little courtesies in day to day business make a huge difference when multiplied by the number of customers.

Another influence upon public attitude is the national environment. Changing economic and social relationship make the public relations problem today vastly different from what it was five years ago.

The Institute of Life Insurance is an instrumentality created to provide leadership in public relations, but it can only lead and not create, Mr. Johnson said. Each person down through the business must carry his share of the load.

Outlines Functions

In outlining the functions of the institute, he emphasized that only 10% of its functions are devoted to transmitting the philosophy of insurance to the public. He said that 90% of the time of the institute staff is devoted to translating public attitude to the insurance industry, so that needed changes may be made before that public attitude becomes public demand. To do this, the institute uses polls of all types in widely scattered sections of the country. This work is not done to any great extent in the New York City area, because its characteristics are so untypical of the U. S. as a whole.

Public approval is won through appeal to the emotion and by presenting the public factual information. The emotional appeal alone is dangerous, Mr. Johnson declared, singling out the automobile business for an example. He pointed out that any number of men will defend the make of car they own as superior to any other make, but they feel no attendant compulsion to defend the manufacturing company which produces that car. Media for dissemination of

facts employed by the institute are bulletins, direct suggestions and talks, public speaking.

Mr. Johnson said that the institute works on the assumption that the industry is good but not perfect. Mr. Johnson said that all polls show the public holds the average life insurance agent in higher esteem than the agent realizes. He said that too many life insurance people build up a defensive attitude, because they feel the public dislikes them. He said it should be heartening news to all that this is far from true, except in the instance of the small minority of unfit agents.

Reasons for Complex

He traced the existence of this inferiority complex to the fact that many life agents take a "no" to mean a prospect does not like them. This is actually far from true, he said, because in the great majority of cases the prospect who has refused to buy insurance has been very favorably impressed with the agent and his refusal to take a policy is traceable to other factors.

The institute has been devoting a great portion of its efforts to educating life insurance beneficiaries, he said. This is just as important a public relations function as the education of prospects, because beneficiaries are the prospects of the future, and the industry here has its greatest opportunity for gaining public approval.

Turning to the 10% devoted to letting the public know what the industry does, Mr. Johnson said the light cannot be hidden under a bushel. On the other hand, the industry cannot be blatantly braggadocio about the job it is doing. The story must be told in a tactful, modest way, but at the same time no details can be omitted.

Beyond Mere Figures

Mr. Johnson termed the good company annual statement the one which goes beyond mere figures and indicates to the public in plain language what the company has done to benefit its policyholders during the year.

He said that the booklets, periodicals and pamphlets turned out by the institute are devoid of sales material. All copy is purely objective because it the institute must maintain its position as an interpreter of life insurance to the public on an educational and not a sales basis.

He announced plans for telling the story of life insurance in comic strip form, saying that the institute would soon publish the story of a blocking halfback who turns life insurance agent and goes through his career blocking economic obstacles out of the path of his client. He treated the work of the educational department of the institute in rewriting textbooks at the request of many schools and spoke of movie making activities.

Mr. Johnson termed the current anti-inflation advertising campaign of the institute the best possible type of institutional advertising because it combines public service with public information. It reflects the moral obligation which insurance feels to see that the policyholder's dollar remains sound.

Press Function

Describing the function of the institute's press department, Mr. Johnson said a policy of intellectual honesty is followed and that in several cases developments which were actually unfavorable to the industry, but which were news, were sent out to the daily papers by the institute. He said that the institute calls newspapers which make mistakes in writing about life insurance not to upbraid the paper or demand a retraction, but rather to set them straight. He said that this policy has improved institute press relations immensely and won the friendship of most newspaper editors.

Life insurance people have the tendency to take themselves so seriously that when they are subject to mild lampooning or satirization in the press they become publicly indignant. Mr. Johnson said the institute receives thousands of

letters from insurance men every year protesting digs in periodicals, especially by cartoonists. He termed such a sensitivity foolish, because this kind of publicity, unless it is seriously derogatory, is harmless and many industries and individuals actually seek it.

An important business has to come in for a certain amount of criticism in a democracy, according to Mr. Johnson. The chief concern of the insurance industry should not be to keep criticism down, but rather to see that when it does arise it is merely a matter of interpretation and that the facts which the critics employ are correct. He said that in most cases newspapers are interested in getting all sides and if insurance gets a bad deal in some particular locality, chances are it is because the local insurance men have given the newspaper no information.

Agent Good Citizen

The good insurance agent is of necessity the good citizen. The unselfish work of the insurance agents in various national campaigns during the war did a great deal to improve the opinion of the insurance agent. It is the duty of the agent to assume his rightfully important place in his community and it is his obligation to perform many services which a position of esteem demands, Mr. Johnson declared.

Arthur F. Priebe, associate general agent of Penn Mutual at Rockford, Ill., outlined the programming methods which have boosted him to the million dollar round table and kept him one of the country's top personal producers for the past ten years. Mr. Priebe's conversion to programming doubled his sales and brought his average case up to \$10,000.

Mr. Priebe said programming takes more time, but that the agent who employs it in reality gets paid better than time and a half for overtime. He said programming should be used by any agent who calls himself a professional.

Social Security Approach

Mr. Priebe emphasized that he starts his interview by using the social security approach which he described as the best possible minimum income sales talk. He then sets down on a memorandum he has developed the requirements for a decent minimum income for a man's family in case of his death. Before his

YOUNG MAN For ACTUARIAL DEPARTMENT

An excellent opportunity with a progressive life insurance company in Baltimore, for a young man who has completed college mathematics and is engaged in, or desires, Actuarial work. All information will be held in confidence. Our own Actuarial employees have been advised of this advertisement.

Write, giving qualifications, c/o The National Underwriter, Box F-38, 175 West Jackson Blvd., Chicago 4, Illinois.

SUPERVISOR WANTED

Outstanding Opportunity

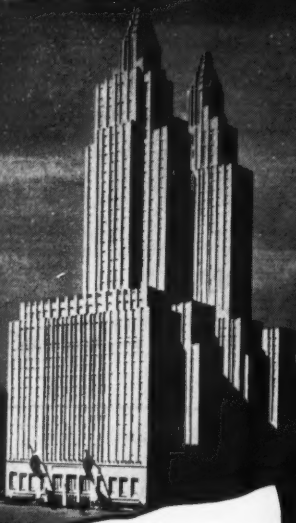
One of Chicago's fastest growing life insurance agencies is installing a Veteran's Training Program; needs capable supervisor to conduct course and give trainees practical assistance. Man big enough for this opportunity will receive salary plus bonus and unlimited future. In reply give age, full background, sales and employment record. All replies held in strict confidence. Address Box F-43, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

DIVISION OFFICE SUPERVISOR

Age 25-35. Travel three states. 36 year old mid-western company. Write in confidence to Box F-10, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

*Dedicated
to Friendliness
and Service*



The
**WALDORF
ASTORIA**
Park Avenue • 49th to 50th • New York

BREAKFAST
TASTES BETTER IN

ST. LOUIS

AFTER A
COMFORTABLE
NIGHT AT

HOTEL LENNOX

WASHINGTON AT NINTH



initial interview is through, Mr. Priebe has all the facts down in black and white for the prospect and his wife, making a special point of seeing that the wife understands his graphs and figures as well as the husband.

He maintains that an office interview is not satisfactory for any agent who will really program. It takes time for the programming agent to develop a whole new philosophy of insurance, so Mr. Priebe said he makes office calls only to make later appointments with his prospect, preferably in the presence of his family.

At the end of his presentation, Mr. Priebe told how he adds up the program totals and lets the husband and wife look it over and consider it their own the way an automobile salesman clinches a sale by letting the prospect drive a demonstrator home.

Premium Lien

Spontaneous applause was given the speaker when he spoke of the importance of allowing the automatic premium lien. He asked all agents present whose companies have illiberal policies in this regard to campaign to have this barrier to sales and service removed.

So appreciative are customers of the programming service, Mr. Priebe said, that many uninsurable prospects will recommend business to the agent.

Mr. Priebe warned that in order to perform a legitimate programming service the agent must know beneficiary rules and social security cold.

Rutherford Provides Inspiration

James E. Rutherford, executive vice-president of N.A.L.U., treated the sales congress to one of his famous inspirational talks following a luncheon in the Fontenelle hotel. Taking as his text, "America Looks to the Salesman", Mr. Rutherford said that although the present economic condition of great demand and little supply looks as if it were ready made to place salesmen on the rolls of the unemployed, the American salesman actually has not an unemployment problem, but the solution to it.

The salesman, he said, will keep up the continuity of sales with production, so that the wheels will turn. He said the salesman is a missionary of progress who points the way to easier, speedier and more economical ways of living.

There is a serious shortage of salesmen in this country, Mr. Rutherford said. Before the war there were eight million men engaged in selling, during the war it dropped down to three million and 10 million will be needed to distribute the fruits of production in the post-war period.

Terrific Competition

He said the competition of material goods will become terrific, but the life insurance salesman should be a man with more faith in his product than any other kind of salesman.

"Nothing can take the place of life insurance," Mr. Rutherford said and interlarded his speech from then on with this phrase, which he described as the burning creed of the life agent.

He termed the insurance salesman a true representative of democracy because he deals in the future. For people under dictatorship there is no future to be brightened by the benefits of insurance. The insurance agent has a job of reconversion to do, he said, reconversion of his prospect to realize that if he dies his wife and children cannot eat the bare icebox or the new automobile. However, the agent must make it clear to the policyholder that he can have his cake, iceboxes, automobiles, et al, and eat it too, except for the few small crumbs he pays as insurance premiums.

Agents Are Hoarders

Life insurance people are the worst hoarders in the world, because they have such a pertinent message and make so few calls. Some of us have feared that social security will encroach upon the insurance province, Mr. Rutherford said, but this is hardly true. Of the 900,000 in the country at present eligible for so-

cial security benefits, only 288,000 are taking advantage of it, because they cannot retire from their jobs and live on their meager social security. The man who cannot retire and take advantage of this money is the man who would not purchase enough life insurance to insure himself a comfortable retirement.

Mr. Rutherford said the quality of life agents was so uniformly high that the difference between a large producer and a mediocre one lies in study, work and enthusiasm. Too many agents are concerned too greatly with the policy and its facts and clauses, failing to treat sufficiently the destination. Policyholders are not interested in the dry words and figures that appear on the face of an insurance policy; that is why over the counting selling methods will never be successful, he said.

Agents Like Tailors

Mr. Rutherford likened the insurance agent to a tailor, who must make the clothes to fit the customer and keep them fitting as the customer's size changes. The insurance agent must see that the insurance of his clients fits ever changing needs.

The afternoon session of the congress was presided over by Lee J. Gillis, president of the Omaha association, who first introduced President Clancy D. Connell of the N.A.L.U. Mr. Connell said that Omaha had more than lived up to the slogan of Lee Wandling, general convention chairman, who in seeking the mid-year meet for his town had said: "Omaha is where the hospitality of the south meets the sophistication of the east and the freedom of the west."

Mr. Connell said the greatest years are still ahead for life insurance and that he based this observation upon a look at the past. Immediately after the last war, in 1920, there was \$42 billion insurance in force, exclusive of war risk, while in 1945 there was \$145 billion in force, exclusive of N.S.L.I. He said there was no reason to doubt that an even greater boom in insurance in force may be looked for during this post-war period.

Praises High Standards

Mr. Connell drew applause when he called for a maintenance of high standards in agent selection. He pointed out many of the best life insurance agents are from the small towns and asked all those present who had grown up in towns of under 5,000 to stand and it appeared that three-quarters of his hearers rose to their feet.

Mr. Connell then recounted some instances where life insurance had meant better lives for Americans, saying that he did this because too often the agent looks upon such stories as trite, while they are really the heart of any sales approach. Mr. Connell said that he had gathered these examples of the fruits of insurance from a survey of association members.

The first case was that of a young insurance agent who, after calling three or four times, finally made a small sale to a prominent young lawyer in his community. Through continued persistence, this agent built up the lawyer's insurance over a period of a few years during which the man's earning power increased greatly. The man died, his insurance paid the mortgage and kept the widow and three children living in their former style. The widow was able to make three trips to Europe, the children were sent through colleges and one son, naturally impressed with insurance, became an insurance agent upon graduation from college.

Mr. Connell told of a small boy, the son of a railroad man who lived in upper New York state. When this boy was very young, both his parents died, leaving him an orphan. The boy's father, however, carried \$2,000 worth of life insurance, all he could afford on his small income. With this small sum and through hard work on the farms of relatives, this boy was able to get through high school and college and, needless to say, was sold on insurance. "I was that boy," said Mr. Connell.

The audience applauded President

Connell when he said that, especially among professional men, there is a great need for increasing the disability benefits on the average ordinary policy. He said he saw no reason why the \$5 disability per \$1,000 insurance, the average allowance, could not be increased considerably.

The next speaker was Carlton W. Cox, Metropolitan manager at Paterson, N. J., who enlarged upon his title, "The Debit Agent Is on the Credit Side of the Ledger."

Mr. Cox described his function as clarification for the ordinary man present of the mysteries of industrial busi-

ness. He applauded the improvement of relations between ordinary and industrial agents within local and the National associations. He said that the industrial agent lives up the creed of service to his policyholders as well as the ordinary agent; in fact he offers a special social service. The debit man is in a position to offer this service because of the wider economic spread of society he covers. Mr. Cox said that to the debit man all sales are fundamentally the same, whether they are for 25 cents or \$10,000.

Most industrial and combination companies operate on the principle that the

THE COMPANY OF



SUCCESSFUL FIELDMEN

Early Success

Twenty-two percent of the present members of the Pacific Mutual's Big Tree Leaders Club qualified for this honor organization in their first year with the company.

Striking proof that newcomers in the Pacific Mutual field can attain sales success quickly!

Here's the three-fold reason:

First—A practical training program, embracing each successive step in an organized and complete merchandising process.

Second—A complete range of personal coverage to sell.

Third—The "New and Unusual Savings Plan"—a complete economic security package for the individual buyer.

PACIFIC MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE: LOS ANGELES, CALIFORNIA

Coverage that's
Complete
LIFE INSURANCE
ACCIDENT & HEALTH
GROUP & WHOLESALE
ANNUITIES-JUVENILE
The
New and Unusual
Savings Plan

GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

Offers Illinois Agents
Exceptional Agency Opportunity
VERY ATTRACTIVE CONTRACTS

COMPLETE LIFE INSURANCE COVERAGE—AGES 0-60

Excellent Line of Juvenile Policies
FULL BENEFIT AGE 5

For Particulars Write Home Office—Address Since 1895
431 South Dearborn St., Chicago, Illinois
WM. J. ALEXANDER, PRESIDENT

A DOLLAR PLUS EVALUATION

The idea of appraising the legal reserve fraternal life insurance of Royal Neighbors of America on a dollar plus basis was propounded by a member who wrote: "I value my membership in Royal Neighbors of America because I have safe, sound and dependable insurance, fraternal neighbors and friends wherever I go and a home at the end of the road."

This member gives a concise, straight-forward summary of the service of Royal Neighbors of America.

First, she realizes that her "safe, sound and dependable insurance" protects her loved ones with its dollar value—the face amount of her certificate. Secondly, she is aware of the Royal Neighbor plus values. "Fraternal neighbors and friends wherever I go" she can find among the 5,530 camps and 518,992 members of Royal Neighbors of America in the United States. The Royal Neighbor "home at the end of the road" is maintained at Davenport, Iowa, for aged and dependent members.

ROYAL NEIGHBORS OF AMERICA

SUPREME OFFICE, ROCK ISLAND, ILL.

A LEGAL reserve fraternal life insurance society for all Lutherans on 3% American Experience reserve basis. Twenty-eight years old—\$138,755,513.00 in force. Mortality experience 1945—32.70%. Rate of assets to liabilities—109.13%.

Our new agents' contract, with retirement program, has been enthusiastically received by our agency force.

Address your letter of inquiry to
THE SUPERINTENDENT OF AGENCIES

LUTHERAN BROTHERHOOD

LEGAL RESERVE LIFE INSURANCE FOR LUTHERAN

Herman L. Ekern, President
608 Second Ave. So., Minneapolis 2, Minnesota

"Since 1868"—the best in Life Insurance Service for Catholics

CATHOLIC

FAMILY PROTECTIVE LIFE ASSURANCE SOCIETY
720 N. WATER STREET - MILWAUKEE 2, WIS.
Whole Family Life Insurance for Catholics

yardstick of success is the debit man's service to the community. Mr. Cox emphasized that the debit man is considerably more than a collector. He is in a unique position to offer service between the people and the company.

Outlining the typical week for the debit man, he said that the first three days of a week are usually devoted to collections. In this collecting, the debit man must be prompt and have his collection program mapped out ahead of time or he will be unable to cover his territory.

During the latter portion of the week he is free to map and develop collateral business among clients to whom he is a household by-word.

The utmost care is at present being taken in the selection and training of industrial agents, Mr. Cox said. There used to be an 85% yearly turnover in debit men and through careful selection and training that has been whittled down to 4 or 5% in the leading companies.

Two Week Schooling

The speaker declared that in his company and most other large industrial carriers, new debit men are assigned to two weeks of formal schooling before they are assigned. The schools are conducted by home office men with both classroom and individual attention.

After this formal training period, the debit man is placed under an assistant manager or assistant superintendent who takes over his training. The debit man is usually assigned to a district for which his background and personality appear suited.

The assistant manager works right with the new man for at least four weeks after he is assigned and then turns him loose for a few weeks. If it is apparent he has learned his lessons well, he is then left to operate alone, although he is watched closely for the first year.

The industrial agent has a greater opportunity than the ordinary agent to prove an influence for the good by inducing service men to keep their N.S.L.I., he maintained, because the majority of war veterans are in the economic class covered by debit men. The industrial men have been living up to their responsibility along with others in the business in this instance, Mr. Cox said.

At this point, he urged that the national and local associations exert pressure on the companies for establishing a definite procedure for writing veterans which would reduce to the minimum the influence of unscrupulous agents over the veteran. He said that several companies writing industrial insurance require a letter from any veteran who has dropped his N.S.L.I. and taken out either industrial or ordinary with a debit man. In this letter, the veteran certifies he has been presented the full facts.

Average Production

Mr. Cox said that during 1945 the average debit man with the three leading industrial companies placed \$70,000 worth of ordinary and \$25,000 worth of other insurance for a total of \$95,000 per man. He said that many industrial men wrote over \$100,000 last year and that in one company more than 600 debit men qualified for the quarter million dollar round table. The industrial agent has come into his own and taken his place to move side by side with the ordinary agent in spreading the gospel and benefits of insurance, Mr. Cox observed in conclusion.

Before introducing the next speaker, Chairman Gillis called Mr. Vandling, general convention chairman, to the rostrum and called for applause for him and for all members of the association who had a hand in arranging the convention. This was the sign for a standing ovation.

Introducing B. N. Woodson, executive vice-president of Commonwealth Life, Louisville, Chairman Gillis revealed that a few hours before he was to speak, Mr. Woodson had been asked to change his prepared speech to one that would add more of a sales flavor to the con-

gress. In the meantime, Mr. Woodson had been seen hurriedly reshaping his paper.

The result established Mr. Woodson as a quick change artist of stature and he also enhanced his considerable reputation as a raconteur by spicing his talk with numerous stories.

Turning serious, Mr. Woodson said the best life agent is the man with the most clearly defined idea of insurance. Each agent sees life insurance from a different point of view and the man whose concepts have the most perspective is able to deliver a more understanding explanation of insurance to his prospects.

Mr. Woodson said that the fundamental concept which the agent who would be a success must have is the understanding that life insurance is property. Too many agents fail to differentiate between the first insurance contract which is pure indemnity and the life insurance contract which is property.

Two Types of Income

There are only two kinds of income, he said, earned income and property income. When the bread winner of a family dies, earned income is taken away and the family circle rolls down hill until it is stopped by property income. It is very difficult by any other means than life insurance for the average man to supplement this earned income with property income, because the expense of most property is prohibitive. In other words, insurance is the only thing the average man can buy in a sufficient amount at terms he can meet which will perform at the time he wants the job done.

Mr. Woodson listed as the second concept of insurance which the successful agent must have a belief in insurance as a splendid investment. Too often an insurance agent has the belief that insurance is good protection, but not a good investment. The fact is, Mr. Woodson said, the policyholder is getting a much better return on his investment than any company is drawing on its investments. The policyholder is getting the benefit of investment experience commingled with more favorable investment years.

Quote Cash Price

In almost every other business, the price a salesman will quote for his product is the cost price and not the actual price that will be paid when all the interest has been paid on installments, Mr. Woodson declared, using the selling of a house with its considerable markup as an illustration. When insurance is sold, the agent should explain to the prospect what the cost price of the product is and thus minimize the cost. Installment paying on insurance is at least one-third more liberal than the terms a man gets on a house.

Mr. Woodson said that nowhere else could a man invest in property on which he waived future payments when he died, on which he was guaranteed an increase in value over the years, on which he could borrow in case of trouble, on which the trust would be ad-

ministered free at death, on which no taxes would have to be paid.

The life insurance agent must understand his product as a financial program needing no supplement, Mr. Woodson declared. The only way the average man could be a financial success is to buy life insurance, for he cannot possibly save up enough money by ordinary means to erect any security for his family upon his death. Once a man signs an increase policy the great gnawing fear of the future is removed, and this can be done on 10 to 12% of the income of the average family.

A new concept which the agent can bring his prospect is that of life value. Every prospect is an earning machine which can't be run for nothing. If a man earns \$4,000 a year, it takes \$2,000 of that to feed, clothe and shelter him just as it costs that much for the upkeep of a machine which turns out \$4,000 worth of goods each year. The machine owner might figure that his machine was good for the same output for the next 30 years and then, in all probability, would take out \$60,000 worth of fire insurance on the machine. Still, a life insurance prospect, who is actually a \$4,000 a year earning machine, often thinks that to take \$2,000 worth of life insurance is a great sufficiency. If the man died uninsured, it is just as if that machine with a \$60,000 future capacity burned to the ground uncovered by any insurance.

But there the parallel with fire insurance stops, Mr. Woodson pointed out. If this machine called Joe lasts on to age 65 and has not died, life insurance gives him all his money back for being such a good risk. Life insurance is fire insurance on the human machine, only immeasurably better, Mr. Woodson concluded.

FRATERNALS

Royal Neighbors Wins Case on Okla. License Denial

Judgment has been rendered in the Oklahoma county district court in favor of Royal Neighbors in its action against Commissioner Read to prevent him from collecting premium tax. This action affects all other fraternal societies operating in the state, for the reason that they always heretofore have been exempt from taxation in Oklahoma and the Royal Neighbors' was a test case.

Commissioner Read construed the state premium tax law to permit him to withhold a society's license if it failed to pay the tax. This theory has been denied by the court, which ruled that the legislature did not intend to subject the societies to the premium tax and that the law does not apply to Royal Neighbors or other fraternal societies and they are not required to pay the tax as a condition precedent to securing license.

The order directing Commissioner Read to issue 1945 licenses to the socie-



Returning Veterans!

Selling legal reserve life insurance is pleasant and profitable employment.

You have an opportunity to develop lists of new prospects through meeting the present policy-holders in the territory assigned to you.

Excellent territory in Illinois, Michigan, Minnesota and Wisconsin. Write for information.

Equitable Reserve Association
Neenah, Wisconsin

ties which contested the tax levy has been stayed pending final disposition on appeal to the Oklahoma supreme court, which undoubtedly will be taken by the attorney general.

Premium Tax Moves in Two States

Efforts in several states to tax fraternalists still are proving bothersome. In Mississippi there is house bill 546 which recently was amended to strike out two sections so the tax would not apply to the societies, when fraternalists of the state became aware of what was brewing and got busy. But house bill 772 has just been filed by Cato at the request of the insurance department, which would remove the fraternalists' tax exemption. The Cato bill has been referred to the ways and means committee.

Florida is going ahead with its effort to tax the societies under an act adopted early last year imposing a premium tax. The fraternalists are resigned to the inevitability of paying premium tax in Florida hereafter, but now they are exercised over an opinion of the attorney general prepared by Sumter Leitner, assistant attorney general, to the effect that the fraternalists March 1 owed the state a 2% premium tax for the entire calendar year 1945. This opinion was forwarded to all societies operating in Florida by Commissioner Larson.

Object to Retroactive Feature

Fraternalists object to making the tax retroactive behind May 23, 1945, when the premium tax act became law. Charles Howell of Howell, McCarthy, Lain & Howell, Jacksonville law firm, in a preliminary opinion had informed the societies that it was clear no tax would be payable on 1945 premium and assessment collections prior to May 23, "for the view of our supreme court is clear, first that the legislation will not be given a retroactive effect unless absolutely necessary, and secondly, that any real doubt as to the incidence of a tax will be resolved in favor of the taxpayer."

There is possibility of a court test of the state's power to impose the tax retroactively.

A Mississippi Fraternal Congress just recently was organized, a direct result of the legislative situation in the state, and opposition to the tax campaign is being led by the new congress. The constitution and by-laws have been approved by the National Fraternal Congress, which has issued a certificate of affiliation to the Mississippi organization.

New Congress Officers

The first president is James E. McAbee of W.O. Life at Jackson. Other officers are: First vice-president, W. W. Ramsey, Brotherhood of Railroad Trainmen, Vicksburg; second vice-president, Mrs. Mary Boggs, Woodmen Circle, Meridian; secretary-treasurer, Roland E. Middlebrooks, W.O.W. Life, Jackson.

Committee chairmen named are: Legislative, S. E. Doolittle, Brotherhood of Railroad Trainmen, Jackson; publicity, Mrs. Hattie B. Sturkey, Women's Benefit, Jackson; educational, D. V. Cochran, Maccabees, Gulfport; ethics, Judge Arthur G. Busby, W.O.W. Life, Meridian; social, Mrs. Lillian Weathersby, Woman's Benefit, Jackson; membership, Mrs. Pearl Croy, Woman's Benefit, Birmingham, and credentials and finance, W. C. Thornton, Preferred Life, Jackson.

A.O.U.W. of Minn. Changes

D. A. Edblom has returned from military service and resumed his post as recorder and general manager of A.O. U.W. of Minnesota. George W. Gladman has been discharged from naval service and been appointed deputy recorder of A.O.U.W., and Miss Frances Kotula becomes comptroller. Mr. Gladman was with the society for 18 years before entering service and Miss Kotula has been with A.O.U.W. 10 years.

C.O.F. Assets, Insurance in Force Increase

Assets of Catholic Order of Foresters Dec. 31 were \$45,367,770, increase \$1,299,824. Total certificate reserves were \$33,119,603, and in addition there were special and contingency reserves aggregating \$2,525,000 to cover the deficiency in the 4% business in force, and unassigned funds, \$8,922,867. C.O.F. has \$30,275,922 of the old American experience 4% business in force; \$590,545 of National Fraternal Congress 4%, and \$87,931 of English Life No. 6 4% and Standard industrial 3 and 3 1/4%.

Its cash item was \$3,854,328, which included deposits in banks, some at interest.

There was received from members last year \$2,954,637 and total income was \$5,203,892. C.O.F. paid \$2,069,146 in death claims last year, \$242,770 in annual dividends and total benefits to members and beneficiaries \$2,736,026. New business, adult and juvenile, was \$16,312,915 in 22,331 certificates. Net gain in force was \$7,829,506. Actual to expected mortality was 65.28%, a reduction of 6.78 points in the year and of 10.22 points since the 75.5% of 1941. Solvency ratio, or percentage of assets to liabilities, was 124.3, compared to 124.2 in 1944, 124.13 in 1943, 123.22 in 1942 and 121.46 in 1941.

Thomas I. Parkinson to Speak

Thomas I. Parkinson, president of Equitable, will speak on the radio March 22 on "This is Your FBI," which is presented weekly as a public service by Equitable.

Mr. Parkinson's theme will be the dangers of inflation and what the average citizen can do to help curb it.

Washington Congress June 28

The Washington State Fraternal Congress will hold its annual convention June 28 in the Winthrop hotel, Tacoma. Walter C. Below, president of Fidelity Life and head of the National Fraternal Congress, will be a speaker.

C.O.F. Field Men Campaign

Catholic Order of Foresters field representatives in the United States are engaged in a sales campaign to end June 30 in an effort to qualify for an all-expense trip Aug. 15-18 to French Lick, Ind. Representatives in the New England states and Quebec province of Canada will go on a Saguenay river trip leaving Montreal Aug. 14 and returning Aug. 17.

Novak Succeeds Peterek

Joseph F. Novak of Cicero, Ill., was elected secretary of the Catholic Central Union at a meeting in Chicago, succeeding Vladimir Peterek, who retired after holding the post for about 20 years. Mr. Novak has been connected with the society for more than 30 years, was an engineer, was employed for more than 20 years by the New York Central lines as valuation engineer and and engineering accountant and for the last 18 months has been supervising engineer of the defense plants corporation.

Price Now Georgia Manager

W. H. Price has been appointed Georgia manager by Preferred Life, Montgomery, Ala. fraternal.

P.H.C. Retains Dividend Scale

Protected Home Circle has voted to retain for this year the 1945 dividend schedule. The estimated amount required is \$135,000.

E. J. Jeffries, general counsel of Maccabees and for a number of years mayor of Detroit, will be a candidate for governor of Michigan at the forthcoming election. Nominating petitions were filed on his behalf last week.

Royal Neighbors Increases Are Shown in 1945

Increases in assets, insurance in force, new paid for insurance, membership and certificate reserves are shown by Royal Neighbors as of Dec. 31. The admitted assets totaled \$110,445,461, increase \$6,095,618, 5.84%. U. S. government bonds total \$26,972,980, increase \$9,764,176. A net interest rate of 3.47% was earned on invested funds last year.

Insurance in force gained \$5,986,232 to a total of \$365,817,856, including \$303,113,706 adult and \$62,704,150 juvenile. Membership gained 7,350 to 518,992, there being 408,232 adult beneficial, 81,455 juvenile and 29,305 social members.

New paid for insurance in 1945 was \$22,695,750, gain \$1,492,400, 7.04%, the eighth consecutive year the new insurance increased. There was \$10,753,850 adult insurance and \$11,941,900 juvenile.

Certificate reserves aggregated \$94,119,246, increase \$3,231,328, contingent reserves \$10,398,663, unassigned funds \$2,748,104. Income rose \$78,381 to a total of \$12,571,185. Mortality was 54.63% of expected.

Death claims and payments to members increased \$161,864 to \$4,740,767, including adult death claims \$4,091,753, juvenile death claims \$30,515; refunds to members \$477,832.

N. A. L. U. Council Disposes of Much Work at Omaha

(CONTINUED FROM PAGE 27)

all hands. Some 18 months of research and thinking had gone into that report. There was no quarrel with any portion of the report but there was a great deal of excited discussion of when renewals should vest and when they should be forfeited. Mr. Duckett had asked members of the committee that were attending to make statements and he gave an

opportunity for each one of the 35 or more in the room to speak his mind.

Grant Taggart, California-Western States Life, Cowley, Wyo., said that one objective of a compensation plan should be to discourage proselyting. He said that a system of vested renewals tends to encourage proselyting. He declared that he is grateful that he has an old fashioned contract that gives him liberal renewals but ties him up to his company. He expressed the belief that if a man leaves the business before he has been in it five years he should have no further renewals.

A representative of Aetna Life spoke with satisfaction of the action taken by his company as of Jan. 1 in superimposing a 2% service commission on all business now 10 years or more old.

One of the national agency leaders who desired not to be identified in print, made a challenging talk. He said he had seen figures indicating that to pay a 2% service commission or 60 cents per \$1,000 for the 10th and succeeding years on existing business would result in an increase in the cost of insurance of but 12 cents a thousand. He said that although the agent's commission goes or at the end of the ninth year, the companies don't reduce the premium at that time.

He declared that there is a tendency in various ways to take it out of the agent's pockets. For instance, some companies pay a very low commission and some pay none at all on group conversions and yet the group premium, he declared, is quoted to take care of the extra mortality on such business. Commissions are reduced by companies in bringing out so-called preferred risk policies and contracts under pension plans are paying a lower commission. He said some companies have changed the name of deferred annuities to deferred elective annuities under pension plans costing 2% less to the assured but with a commission reduction of 55%. There is group permanent that brings about a reduction in commission and

FACTS THAT SPEAK VOLUMES IN 1945 —

The INDIANAPOLIS LIFE INSURANCE COMPANY — a Quality, Legal Reserve Mutual Company — completed 40 YEARS of DISTINGUISHED SERVICE.

THE GAIN OF INSURANCE IN FORCE was the LARGEST IN THE COMPANY'S HISTORY.

NEW PAID BUSINESS was 24.2% ahead of 1944.

THE LAPSE RATIO continued extremely low.

EARNINGS OF FIELDMEN SET NEW RECORDS!

Based on income tax figures —

THE AVERAGE INCOME OF —

THE TOP TEN was — \$20,568.

THE TOP TWENTY was — \$14,639.

THE AVERAGE FOR ALL FULL-TIME REPRESENTATIVES OF THE COMPANY was \$8,485!

These FACTS and FIGURES speak for themselves.

The Company still has available a few choice cities for quality underwriters, who can qualify for a general agency, in Indiana, Illinois, Ohio, Texas, Minnesota, Michigan and Iowa.

INDIANAPOLIS LIFE INSURANCE COMPANY

Indianapolis 7, Indiana

Edward B. Raub
President

A. H. Kahler
Second Vice-President
Supt. of Agencies

ACTUARIES

CALIFORNIA

Barrett N. Coates Carl E. Herfurth
COATES & HERFURTH
 CONSULTING ACTUARIES.
 990 Market Street 437 S. Hill Street
 SAN FRANCISCO LOS ANGELES

ILLINOIS

DONALD F. CAMPBELL
 and
DONALD F. CAMPBELL, JR.
 Consulting Actuaries and Public Accountants
 35 Years of Service
 160 North La Salle Street, Chicago, Illinois
 Tel. State 1334

WALTER C. GREEN
 Consulting Actuary
 211 Wacker Drive
 Chicago
 Franklin 2633

HARRY S. TRESSEL
 Certified Public Accountant and
 Actuary
 10 S. La Salle St., Chicago 3, Ill.
 Associates
 M. Wolfman, F. A. I. A. Franklin 4020
 N. A. Moscovitch, A. A. I. A.
 W. H. Gillette, C. P. A.
 W. P. Kelly

INDIANA

Haight, Davis & Haight, Inc.
 Consulting Actuaries
 FRANK J. HAIGHT, President
 Indianapolis—Omaha

HARRY C. MARVIN
 Consulting Actuary
 221 E. Ohio Street
 INDIANAPOLIS, INDIANA

MISSOURI

NELSON and WARREN
 Consulting Actuaries
 915 Olive Street, Saint Louis
 Central 3126

NEW YORK

Established in 1885 by David Parks Fackler
FACKLER & COMPANY
 Consulting Actuaries
 6 West 48th Street New York

Consulting Actuaries
 Auditors and Accountants
Wolfe, Corcoran and Linder
 116 John Street, New York, N. Y.

PENNSYLVANIA

FRANK M. SPEAKMAN
 CONSULTING ACTUARY
 Associate
 E. P. Higgins
 THE BOURSE PHILADELPHIA

insurance income contracts written on group plans.

The various new wrinkles in group insurance such as for trade unions and trade associations, for debtor-creditor setups, and selling group insurance in limits of as high as \$40,000 tends to penalize the individual agent, he charged.

Although a decision was not reached, a strong invitation was offered by the Oklahoma group to hold the 1947 mid-year meeting at Oklahoma City.

Unfair Taxation of Annuitants Is Assailed

(CONTINUED FROM PAGE 17)

him and assume interest thereon, Mr. Van Name, suggested. The resulting net excess of consideration over payment, in the fund, to the extent that it is part of a total estate exceeding \$60,000 estate exemption should be taxed once-for-all at current appropriate federal estate or inheritance tax rate. In consideration of this tax, companies and systems may be authorized by law to make the slight appropriate adjustments of annuity payments to those who, by survivorship, have become beneficiaries of income tax-free annuity.

The result would be a slightly reduced gross annuity for the remainder of life but a largely increased net annuity due from freedom from annuity income tax. This would recognize that not only does the survivor of a joint and survivorship annuity contract inherit his equity, but that survivorship even in a single life annuity is no less inheritance because it is received impersonally through the fund from an unknown short-lived benefactor.

The government must grant uniform annuity taxation and exemption to all aged, Mr. Van Name declared. It must stop taxing inheritance annuities as income annuities. It will do neither unless the agents understand and make Congress understand that the present discrimination against provision for old age annuity is eating into the capital of thousands of thrifty small investors who would be subsidized instead of taxed had they used government funded assistance.

Mr. Van Name suggested that local public employees annuity income tax relief may come in a year or two through a rider in a federal revenue bill. However, the job will be incomplete if commercial annuities are not given relief, he asserted. He suggested that agents owe it to their business and their clients to secure fight for the same kind of relief.

Finlayson Reports Increase in Canadian Business

TORONTO — New life insurance written in Canada in 1945 increased 11.3%, according to preliminary figures reported by Superintendent Finlayson. The net amount effected was \$1,002,576,000, including ordinary \$810,335,413, industrial \$133,935,471 and group \$58,306,104.

Business in force Dec. 31 was \$9,753,959,083, an increase of 6.7% over 1944, and this included ordinary \$7,374,259,804, industrial \$1,312,976,009 and group \$1,066,723,270. Canadian companies carried \$6,443,533,631 of the aggregate.

Parkinson to Address Bankers

T. I. Parkinson, president of Equitable Society, will be the principal speaker at a dinner of the Savings Bank Association of New Jersey in Newark April 4. He will talk on "Monetizing Debt."

Va. City Pension Bill Signed

A bill authorizing cities to establish a system of pensions, death benefits or group insurance for injured, retired or superannuated officers and employees or dependents of deceased officers or employees has passed the Virginia legislature and has been signed.

Prudential Resumes in Texas

(CONTINUED FROM PAGE 8)

He is manager of the company's largest ordinary agency, the Downtown agency in New York city. He expects to leave for Texas early in April and will spend several months surveying possible sites for other Prudential offices and selecting key personnel.

Following completion of this assignment he will return to New York and assume active management of his own agency, of which in his absence H. G. Henderson has been acting manager.

For the present, Prudential's insurance operations in Texas will be confined to the ordinary and group departments. No plans have been made for opening offices for the sale of insurance on the debit plan.

In making the announcement, President Shanks pointed out that although the company has not been selling life insurance in Texas for many years, its investments in the state have been steadily increasing. At present almost \$8 million are invested in Texas industrial securities and in state, county and municipal bonds. A mortgage loan office was opened at Dallas in 1937 and the company's farm and city loans in the state now have passed the \$29 million mark. Last year the company paid to Texas residents over \$750,000 in death claims and matured endowments.

Career of Eubank

Admiral Eubank, a native of Houston, began his sales career at 12 selling ice-cream from door-to-door in Seabrook, Tex. At 17 he enlisted in the navy as an apprentice seaman and within a few months was a second-class petty officer. He was in the first landing party of the "New Jersey" at Vera Cruz in 1914 and was in the other war. Upon discharge he entered life insurance as an agent, and after a meteoric rise to assistant superintendent of agencies and manager, he became associated with Prudential in 1927. He was recalled to active duty by the navy in April, 1941, as a commander.

Admiral Eubank has served as assistant to the supply officer at Philadelphia, Pa. Detached from that assignment the following July, and since July, 1942, he served in the navy's campaign for sale of war bonds.

He was promoted to captain in 1942, was designated alternate to the Secretary of the Navy on the inter-departmental committee for voluntary payroll savings plan for the purchase of war bonds, then became coordinator of war savings bonds for the entire navy, marine corps and coast guard. He was cited in 1945 by Secretary of the Navy Forrestal for outstanding service and received the Treasury's distinguished service citation.

Mr. Hill, a native of Dallas and graduate of Southern Methodist university, began in insurance as agent there for Connecticut Mutual Life. After several years he was promoted to general agent at Nashville, where he became president of the life underwriters association and vice-president of the General Agents & Managers Association.

Then he was sent to Chicago where his agency became quite successful. Desiring to return to Texas, he resigned last November and he became associated with Prudential Jan. 2 as a special group representative.

Reentered Texas in 1928

Prudential reentered Texas in 1928, but has written mainly group there during those years. It paid \$86,283 in back taxes under article 4773 upon reentering the state in 1928.

In 1944 its group writings in the state were \$6,468,665 and its group in force in Texas was \$14,416,482. Its ordinary writings were but \$44,734 and in force \$24,121,553. Its industrial writings were \$18,523 and in force \$5,798,139.

Newcomers Class Elects Hamlin as President

The first 1946 newcomers' class of Union Mutual Life met at the home office for an intensive three-day sales program. This was the second in a series inaugurated last July, and took in agents who have joined the company in the last six months.

Officers of the group elected are: President, John A. Hamlin of the Fred T. Jordan home office agency; vice-president, Harold G. Berger, of the Frank J. Colbert agency at Albany, and co-secretaries Stanwood E. Fisher, Jr., Jordan agency, and George F. Platto, Cyril F. Grein agency at Detroit.

Mutual Life Appoints Two Research Associates

Mrs. Eleanor S. Bagley and John Hartwell have been appointed research associates of Mutual Life.

Mrs. Bagley, who joined the company in 1940 has been supervising analyst in the research division, while Mr. Hartwell has been engaged in budget establishment work for U. S. Rubber Co.

Cal.-Western Expects Good Volume Under New Cal. Law

O. J. Lacy, president of California-Western States Life at its annual meeting reported substantial increases in the field of group accident and health insurance.

Mr. Lacy said the company expected to write a substantial volume of weekly indemnity under private plans authorized by legislation making cash sickness and disability insurance compulsory for employed persons in California. The company is seeking legislation to permit group coverage for employee groups such as trade associations.

Albert G. Daniel Returns to Guardian at Atlanta

Albert G. Daniel, who has recently returned after five years in the army, has been promoted to assistant manager at Atlanta for Guardian Life.

Mr. Daniel left the Atlanta agency in 1941 to serve with the army coast artillery in the Asiatic-Pacific theater. He returned to the United States last November and was discharged with the rank of major.

Insurance Society at Butler U.

An Insurance Society has been formed in Butler University, Indianapolis, to further the development of the college of business administration insurance program. It is the second collegiate organization of its kind in the country. Dr. Robert I. Mehr, head of the university's insurance division, is faculty sponsor of the organization and William Wildman is the first president. Membership will be limited to students majoring in insurance. Non-voting associate members from Indianapolis insurance offices are to be admitted and two honorary members are to be chosen each year.

Commonwealth Production Clubs

The new production clubs, "The Order of the Blue Vase," and the "Hundred Lives Club," has been instituted by Commonwealth Life.

The Blue Vase is for new field personnel in the first 13 weeks of contract. The field man must write a specified number of applications within that period.

The Hundred Lives Club is open to all, membership is gained by writing a minimum of 100 applications on 100 separate lives. There is no time limit, but an additional award is made to those who qualify in the first year.

class of
home
y sales
d in a
d took
company

d are:
e Fred
; vice-
of the
ny, and
er, Jr.,
Platto,
it.

es
d John
research

company
analyst
r. Hart-
t estab-
Co.

Good
Law

ifornia-
l meet-
in the
n insur-

ny ex-
ume of
e plans
g cash
e com-
Califor-
islation
employe

AS

recently
e army,
manager

gency in
st artil-
er. He
ast No-
with the

U.

formed
olis, to
college
nce pro-
iate or-
try. Dr.
iversity's
onsor of
Wildman
hip will
n insur-
members
es are to
members

Clubs

The Or-
"Hun-
stituted

eld per-
contract.
specified
in that

is open
y writ-
ions on
no time
is made
st year.



Show him in — he makes me think

IT'S TRUE that a life insurance agent makes people think.

He makes them think of their responsibilities to the ones they love and wish most to protect. He makes them think what would happen to a wife, a son or daughter, a home with a mortgage, an education — if they should die.

He makes them think of the years ahead that belong to them — the retirement years — when a guaranteed income

would be about the finest thing on earth.

He makes them think that they ought to do something about it *now* — while their health is sound and their salaries good . . . and saving is so hard.

And a *Northwestern Mutual* agent can make you think of another thing: the difference between life insurance companies and how much that difference means to you.

Don't send him away — *show him in* — he'll make you think — but right.

The NORTHWESTERN MUTUAL
Life Insurance Company MILWAUKEE 2, WISCONSIN

Founded 1857

COOPERATING WITH AMERICAN MEN AND WOMEN IN ASSURING THEIR FINANCIAL WELFARE AND INDEPENDENCE

(One of a series of full-page advertisements appearing in The Saturday Evening Post this year.)

A FINGER-TIP MARGIN



but enough for Real Success

The big producer naturally has a good, sound knowledge of insurance. But he has something else too . . . the priceless ability to put his finger on special information at the right time and place.

No one can be expected to carry in his head all the detailed information and figures that may come up in connection with a life insurance sale. So it is particularly important to know exactly where to get that needed information . . . *and how to use it.*

This extra "finger-tip" margin is an important part of the broad knowledge you acquire at the Aetna Home Office Life Insurance School. Here you also get concentrated insurance training in practical, applicable techniques . . . taught by men who are themselves successful salesmen . . . taught in a scientific way so that you *remember* what you learn.

When you finish the course, your earning power is definitely UP. The School is open to all Aetna salesmen and others who plan to make life insurance a life career. Ask any Aetna Life General Agent for full details.



There's a human side, too. Lasting friendships often grow out of close association and exchange of ideas with the alert and earnest fellow students who share comfortable study and living quarters with you.

KNOWLEDGE IS POWER — EARNING POWER

ÆTNA Home Office LIFE INSURANCE SCHOOL

ÆTNA LIFE INSURANCE CO.
HARTFORD, CONNECTICUT



Affiliated Companies:

ÆTNA CASUALTY & SURETY COMPANY
AUTOMOBILE INSURANCE COMPANY
STANDARD FIRE INSURANCE COMPANY